# FRANCHISE DISCLOSURE DOCUMENT

COMPLETE MOBILE DRUG TESTING

Complete Mobile Drug Testing Franchise LLC
A Wisconsin limited liability company
4805 S. 74th St., Suite B
Greenfield, WI 53220
262-982-6034
Franchising@completemobiledrugtesting.com
www.completemobiledrugtesting.com

As a Complete Mobile Drug Testing franchisee, you will operate a mobile business that provides drug testing, DNA testing, and background checks, under the trade name "Complete Mobile Drug Testing". You may also elect to offer the same services at an in-office location.

The total investment necessary to begin operation of a Complete Mobile Drug Testing franchise is $67,850 to $287,650. This includes $54,500 to $214,500 that must be paid to the franchisor or affiliate. For the above range, the low-end estimate assumes you purchase one territory, and the high-end estimate assumes you purchase five territories.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Milka Krecak at 4805 S. 74th St., Suite B, Greenfield, WI 53220 and 262-982-6034.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC- HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW. Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance date: May 11, 2026

## How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

| QUESTION | WHERE TO FIND INFORMATION |
|---|---|
| **How much can I earn?** | Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit G. |
| **How much will I need to invest?** | Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use. |
| **Does the franchisor have the financial ability to provide support to my business?** | Item 21 or Exhibit E includes financial statements. Review these statements carefully. |
| **Is the franchise system stable, growing, or shrinking?** | Item 20 summarizes the recent history of the number of company-owned and franchised outlets. |
| **Will my business be the only Complete Mobile Drug Testing business in my area?** | Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you. |
| **Does the franchisor have a troubled legal history?** | Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings. |
| **What's it like to be a Complete Mobile Drug Testing franchisee?** | Item 20 or Exhibit G lists current and former franchisees. You can contact them to ask about their experiences. |
| **What else should I know?** | These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents. |

## What You Need To Know About Franchising *Generally*

**Continuing responsibility to pay fees**. You may have to pay royalties and other fees even if you are losing money.

**Business model can change.** The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

**Supplier restrictions.** You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

**Operating restrictions.** The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

**Competition from franchisor.** Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

**Renewal.** Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

**When your franchise ends.** The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

## Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

## Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration or litigation only in Wisconsin. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Wisconsin than in your own state.

2. **Sales Performance Requirement**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise and loss of your investment.

3. **Mandatory Minimum Payments.** You must make minimum royalty, payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

**(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)**

**The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.**

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

**The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.**

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 373 7117

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## Item 1
## THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

In this disclosure document, "we", "us," or "our" refers to Complete Mobile Drug Testing Franchise LLC (but not to our officers, director, agents, employees, affiliates, parents, or subsidiaries). "You" means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity must sign our Guaranty and Non-Compete Agreement, which means that all of the franchise agreement's provisions also will apply to your owners.

Us, Any Parents, and Certain Affiliates

Our name is Complete Mobile Drug Testing Franchise LLC. Our principal business address is 4805 S. 74th St., Suite B, Greenfield, WI 53220. We do not have any parent entities. We do not have any affiliates that offer franchises in any line of business or provide products or services to our franchisees.

Our Predecessors

We do not have any predecessors.

Our Business Name

We use the names "Complete Mobile Drug Testing Franchise LLC" and "Complete Mobile Drug Testing". We do not intend to use any other names to conduct business.

Agent for Service of Process

Our agent for service of process in Wisconsin is Milka Krecak, and the agent's principal business address is 4805 S. 74th St., Suite B, Greenfield, WI 53220. Our agents for service of process in other states are disclosed in Exhibit A.

Business Organization

We are a Wisconsin limited liability company. We were formed on April 24, 2025.

Information About Our Business and the Franchises Offered

We, as the franchisor, do not operate businesses of the type being franchised.

We do not have any other business activities. We have not offered franchises in other lines of business.

If you sign a franchise agreement with us, you will develop and operate a mobile business that provides drug testing, DNA testing, and background checks, under the trade name Complete Mobile Drug Testing. You may also elect to provide the same services from an in-office location. We reserve the right to establish national or regional accounts, meaning local, regional, or national

customer accounts designated by us that we expect to be served by more than one Complete Mobile Drug Testing business, and to set pricing for such accounts.

If we provide you with any confidential information prior to executing a franchise agreement (for example, in connection with a discovery day or upon your request), we reserve the right to require you to execute a Confidentiality and Noncompete Agreement (attached as Exhibit L to this disclosure document) prior to receiving such confidential information.

The general market for drug testing, DNA testing, and background check services is developed and highly competitive. Our customers are primarily businesses requiring drug testing and background check services. We do not expect there to be any material seasonal variations in the market.

You will compete with many local and independently owned service providers. You will compete against national chains, regional chains, and independent owners. Some of these competitors are franchised.

Laws and Regulations

You must comply with the regulations the Department of Transportation (DOT) has established dealing directly with drug testing laboratories, such as what laboratories can be used, the validity of testing, how to process samples, and chain of command concerns. In addition, the DOT has specific sections regarding urine testing, alcohol testing, and testing sites. The DOT rules have been adopted by other industries. Background checks are regulated by the Fair Credit Reporting Act (FCRA). You must ensure that all background checks comply with the FCRA requirements and any state laws, which may impose additional conditions or restrictions. All of your operations involving drug testing, DNA analysis, and background checks must diligently protect the privacy and confidentiality of personal information in accordance with applicable privacy laws, including the Health Insurance Portability and Accountability Act for health-related data and the various state privacy laws that apply to the collection and handling of personal information. You may be required to obtain specific licenses and accreditations to perform drug and DNA testing.

The laws, rules, regulations, and ordinances that may apply to the operation of your business include those that: (a) require a permit, certificate, or other license; (b) establish general standards, specifications, and requirements for the construction, design, and maintenance of your business site and premises; (c) regulate matters affecting the health, safety, and welfare of your customers, such as general health and sanitation requirements, restrictions on smoking and exposure to tobacco smoke or other carcinogens, availability of and requirements for public accommodations, including restroom facilities and public access; (d) set standards on employee health and safety; (e) set standards and requirements for fire safety and general emergency preparedness; and (f) regulate the proper use, storage, and disposal of waste or other hazardous materials. You must also obtain all necessary permits, licenses, and approvals to operate your business.

You alone are responsible for investigating and complying with all applicable laws and regulations, despite any information that we may give you. You should consult with a legal advisor

about legal requirements that may apply to your business, including any permits and licenses necessary to operate in your market.

Prior Business Experience

We have offered franchises since September 2025. None of our affiliates has offered franchises in other lines of business. None of our affiliates provides products or services to our franchisees.

Our affiliate, Complete Mobile Drug Testing, LLC has operated Complete Mobile Drug Testing in Greenfield, Wisconsin since May 2011. This affiliate has the same business address as us.

## Item 2
## BUSINESS EXPERIENCE

**Milka Krecak – Founder and Chief Executive Officer.** Milka Krecak has been our Founder and Owner in Greenfield, Wisconsin, since May 2011.

**Stevan Krecak – Chief Development Officer.** Stevan Krecak was promoted to our Chief Development Officer in Greenfield, Wisconsin, effective January 2026. Prior to that date Stevan was our Marketing Director in Greenfield, Wisconsin, since April 2020.

**Petar Krecak – Chief Operations Officer.** Petar Krecak was promoted to our Chief Operations Officer in Greenfield, Wisconsin, effective January 2026. Prior to that date, Petar was our Operations Manager in Greenfield, Wisconsin, since February 2020.

**Sebrina Miller – Director of Franchisee Success.** Sebrina Miller has been our Director of Franchisee success in Greenfield, Wisconsin, since March 2026. Prior to that Sebrina was our Office Manager in Greenfield, Wisconsin, since June 2016.

## Item 3
## LITIGATION

No litigation is required to be disclosed in this Item.

## Item 4
## BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

## Item 5
## INITIAL FEES

Franchise Fee

When you sign your franchise agreement, you must pay us $54,500 as the initial franchise fee. If you and we agree that you will purchase multiple territories, each under a single franchise agreement, you must pay us $40,000 for each additional territory when you sign your franchise agreement. This fee is uniform and is not refundable.

Development Schedule Extension Fee

If you and we mutually agree to extend your deadline for opening your business for a period of up to six months, you must pay us a $5,000 development schedule extension fee. We have the sole discretion over whether or not to grant an extension. This fee is due when we agree to the extension. This fee is uniform and is not refundable.

## Item 6
## OTHER FEES

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Royalty | 10% of your adjusted gross sales, subject to the minimum royalty fee | Monthly, on the 5th day of the following month | You must pay an annual minimum royalty of $2,500 per separate territory.<br>See Notes 1, 2 and 3 |
| Marketing Fund Contribution | Up to 2% of your adjusted gross sales. Currently, none. | Monthly, on the 5th day of the following month | We have not yet started a Marketing Fund |
| Technology Fee | Currently, $250 per month | Monthly, on the 5th day of the following month | We reserve the right to charge a commercially reasonable fee for software and other technology products and services we provide. The technology fee will not necessarily be a pass-through of our exact costs. We may add, remove, or alter the software or technology products or services that we provide. We may increase the Technology Fee from time to time, but it will not exceed $350 per month. |
| Replacement manager training | Currently, $250 per person per day | Prior to attending training | If you send a manager or other employee to our manager training program after you open, we will charge our then-current training fee not to exceed $500 per person per day. |

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Post-opening training programs | Currently, none. | On demand. | We have the right to require you and your employees to complete training programs after you open. We may charge a reasonable fee for any such programs. The fee for any such program will not exceed $200. |
| Shared third party vendors | Pass-through of costs, plus reasonable administrative charge not to exceed the greater of $500 or 10%. Currently, none. | Varies | We have the right to require franchisees to use third-party vendors and suppliers that we designate. Examples can include computer support vendors, mystery shopping, and customer feedback systems. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together with a reasonable markup or charge (not to exceed the greater of $500 or 10%) for administering the payment program. |
| Non-compliance fee | $500 per instance | On demand | We may charge you $500 for any aspect of your business which is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you $250 per week until you correct such non-compliance. |
| Reimbursement | Amount that we spend on your behalf, plus 10% | Within 15 days of invoice | If we pay any amount that you owe or are required to pay to a third party, you must reimburse us. |
| Late fee | $100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law) | On demand | We may charge a late fee if you fail to make a required payment when due. |

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Insufficient funds fee | $30 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law) | On demand | We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account. |
| Costs of collection or enforcement | Our actual costs | As incurred | Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us or otherwise enforcing your franchise agreement. |
| Convention fee | As determined by us; currently, none. | Prior to convention | If we conduct a national or regional meeting or convention, we will charge you the attendance fee. You are limited to 3 attendees. You are responsible for all travel and living expenses of attending any such meeting or convention. The convention fee will not exceed $1,500 per attendee. |
| Special support fee | Our then-current fee, plus our expenses. Currently, $600 per day. | On demand | If we provide in-person support to you in response to your request we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support). This fee will not exceed $1,000 per day. |
| Customer complaint resolution | Our expenses | | We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses. |
| Audit costs | Our out-of-pocket cost | On demand | Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, or (2) the audit concludes that you under-reported adjusted gross sales by more than 3% for any month. |

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Special inspection fee | Currently $600, plus our out-of-pocket costs | On demand | Payable only if we conduct an inspection of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification. |
| Non-compliance cure costs and fee | Our out-of-pocket costs and internal cost allocation, plus 10% | When billed | We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs plus a 10% administrative fee. |
| Renewal fee | $5,000 | Upon renewal | Payable if you enter into a successor franchise agreement at the end of your agreement term. |
| Transfer fee | $15,000 plus any broker fees and other out-of-pocket costs we incur | $1,500 when you notify us of your intent to transfer or sell your business; the balance due at the closing of the transaction | Payable if you desire to transfer or sell your business.<br>If your buyer was already in our prospect database, the transfer fee is increased by $10,000. |
| Temporary management fee | 10% of adjusted gross sales plus our expenses | On demand | We have the right to temporarily manage your business and charge this fee if (i) you die or become incapacitated, (ii) we exercise our right to purchase your business after your franchise agreement end, or (iii) you operate the business in a dangerous manner. |
| Liquidated damages | An amount equal to royalty fees and marketing fund contributions for the lesser of (i) 2 years or (ii) the remaining months of the franchise term | On demand | Payable if we terminate your franchise agreement because of your default, or if you terminate the franchise agreement without the right to do so. |

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Indemnity | All of our costs and losses from any legal action related to the operation of your franchise or any act by you or your employees | On demand | You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the development or operation of your franchise, or any act or omission by you or any employee of your business (unless caused by our intentional misconduct or gross negligence). |
| Prevailing party's legal costs | Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party | On demand | In any legal proceeding (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses. |

All fees are payable only to us. All fees are imposed by us and collected by us. All fees are non-refundable. We do not represent that all fees are uniform for all franchisees; we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate. There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

Notes

1. "Adjusted Gross Sales" is defined in our franchise agreement as the total dollar amount of all sales generated through your business for a given period, including, but not limited to, payment for any services or products sold by you, whether for cash or credit. It also includes any proceeds you receive from business interruption insurance. Adjusted Gross Sales does not include (i) bona fide refunds to customers, (ii) sales allowances and discounts, (iii) sales taxes collected, or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Adjusted Gross Sales).

2. You must report your adjusted gross sales to us each month. If you fail to report your adjusted gross sales, we will withdraw estimated royalty fees and marketing fund contributions based on 125% of the most recent adjusted gross sales you reported. We will true-up the actual fees after you report adjusted gross sales.

3. You must achieve annual minimum sales and pay annual minimum royalty fees as follows:

| Minimum Performance Requirements | | | | | | |
|---|---|---|---|---|---|---|
| | Year 1 | | Year 2 | | Year 3 and thereafter | |
| Total Territories | Minimum Annual Sales | Minimum Annual Royalty | Minimum Annual Sales | Minimum Annual Royalty | Minimum Annual Sales | Minimum Annual Royalty |
| 1 | $25,000 | $2,500 | $25,000 | $2,500 | $25,000 | $2,500 |
| 2 | $25,000 | $2,500 | $50,000 | $5,000 | $50,000 | $5,000 |
| 3 | $25,000 | $2,500 | $50,000 | $5,000 | $75,000 | $7,500 |
| 4 | $25,000 | $2,500 | $50,000 | $5,000 | $100,000 | $10,000 |
| 5 | $25,000 | $2,500 | $50,000 | $5,000 | $125,000 | $12,500 |
| 6 | $25,000 | $2,500 | $50,000 | $5,000 | $150,000 | $15,000 |

4. We currently require you to pay royalty fees and other amounts due to us by pre-authorized bank draft. However, we can require an alternative payment method. If we permit you to pay by credit card or any other method which causes us to incur a processing fee, you will be responsible for the amount of the processing fee.

## Item 7
## ESTIMATED INITIAL INVESTMENT

### YOUR ESTIMATED INITIAL INVESTMENT - FRANCHISE AGREEMENT

| Type of expenditure | Amount | Method of payment | When due | To whom payment is to be made |
|---|---|---|---|---|
| Initial franchise fee (see Note 1) | $54,500 - $214,500 | Check or wire transfer | Upon signing the franchise agreement | Us |
| Rent and Deposit (see Note 2 and Note 3) | $0 - $5,600 | Check | Upon signing lease | Landlord |
| Utilities | $0 - $2,500 | Check, debit, and/or credit | Upon ordering service | Utility providers |
| Leasehold Improvements | $0 - $5,000 | Check | As incurred or when billed | Contractors |
| Market Introduction Program | $3,000 - $5,000 | Check, debit, and/or credit | As incurred or when billed | Vendors and suppliers |
| Furniture, Fixtures, and Equipment | $0 - $27,000 | Check, debit, and/or credit | As incurred | Vendors and suppliers |
| Computer Systems | $2,500 - $5,000 | Check, debit, and/or credit | As incurred | Vendors and suppliers |

| Type of expenditure | Amount | Method of payment | When due | To whom payment is to be made |
|---|---|---|---|---|
| Insurance (3 months) | $800 - $1,500 | Check | Upon ordering | Insurance company |
| Vehicle (see Note 4) | $0 - $4,300 | Check | Upon purchase | Vendor |
| Signage | $0 - $500 | Check, debit, and/or credit | Upon ordering | Vendor |
| Office Expenses | $1,000 - $3,000 | Check, debit, and/or credit | As incurred | Vendors |
| Inventory | $700 - $2,500 | Check, debit, and/or credit | Upon ordering | Vendors |
| Licenses and Permits | $150 - $250 | Check | Upon application | Government |
| Travel, lodging and meals for initial training | $700 - $3,000 | Cash, debit or credit | As incurred | Airlines, hotels, and restaurants |
| Additional funds (for first 3 months) (see Note 5) | $4,500 - $8,000 | Varies | Varies | Employees, suppliers, utilities |
| Total | $67,850 - $287,650 | | | |

Notes

1. None of the expenditures in this table will be refundable. Neither we nor any affiliate finances any part of your initial investment. The low-end of this range assumes that you purchase one territory, and the high-end of this range assumes that you purchase five territories.

2. We estimate real property, leasehold improvements, and utilities at zero because you are required to operate as a mobile business. The included range may apply if you elect to develop an office space, as well as your mobile unit. Your lease security deposit and utility deposits will usually be refundable unless you owe money to the landlord or utility provider. None of the other expenditures in this table will be refundable. Neither we nor any affiliate finances any part of your initial investment.

3. If you elect to develop an office space, as well as your mobile unit, we anticipate that you will rent the premises. If you rent an office space you may be able to negotiate a period of rent abatement for the initial portion of the lease term and will only be required to make a security deposit upon execution of the lease. The high estimate assumes you are not able to negotiate rent abatement and must pay a security deposit equal to one month's rent plus an additional three months' rent. If you choose to purchase real estate instead of renting, your costs will be significantly different. Your rent costs may vary significantly depending on the geographic location of your business.

4. You will need a vehicle for your business. It must be in excellent or better condition, clean, dent-free, and otherwise presenting a professional appearance. Your employees will be required to use their personal vehicles for business purposes. The low-end estimate assumes you already have a personal vehicle for the business. The high-end estimate assumes you lease a new vehicle, with certain fees and costs payable upon signing the lease.

5. This includes any other required expenses you will incur before operations begin and during the initial three-month period of operations, such as payroll, additional inventory, rent (if you opt to have a rented office space), and other operating expenses in excess of income generated by the business. It does not include any salary or compensation for you. It does not include payments on loans your business may have. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: the development of a Complete Mobile Drug Testing business by our affiliate, and our general knowledge of the industry.

## Item 8
## RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us or our designee, or from suppliers approved by us, or (2) according to our specifications. You must comply with any changes we make in the future to these requirements.

Specific Obligations

The following are our current specific obligations for purchases and leases:

A. Real Estate. You are not required to open an office location. If you chose to do so your business location is subject to our approval and must meet our specifications. If you lease your location, you must use reasonable efforts to have the landlord sign our form of Rider to Lease Agreement (attached to this disclosure document as Exhibit C).

B. Insurance. You must obtain insurance as described in the Franchise Agreement and in our Brand Standards Manual, which includes (i) "Special" causes of loss coverage forms, including fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business, for full repair and replacement value (subject to a reasonable deductible); (ii) Business Interruption Insurance covering at least 12 months of income; (iii) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage, written on an "occurrence" policy form in an amount of not less than $1,000,000 single limit per occurrence and $2,000,000 aggregate limit, (iv) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than $1,000,000, (v) Professional Liability Insurance in an amount of not less than $1,000,000 single limit per occurrence and $6,000,000 aggregate limit, and (vi) Workers Compensation coverage as required by state law. Your policies (other than Workers Compensation) must list us and our

affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days' prior written notice of cancellation.

C. Point-of-sale software and hardware, and related software and hardware. You must purchase (or lease) the point-of-sale software and hardware, and related software and hardware, that we specify. See Item 11 for more details.

D. Advertising and Marketing. Except as otherwise provided in the Brand Standards Manual and advertising or marketing materials that we furnish to you, you must submit all advertising and marketing materials to us for our written approval before use. You must ensure that all advertising or marketing materials that you use are clear, factual, ethical, and not misleading; comply with our brand standards; and comply with all laws. We have the right to establish and control all digital marketing.

E. Testing Supplies. All testing supply inventory purchases must meet our specifications and be purchased only from approved suppliers.

F. Background Check Services. All background checks must be completed using third-party vendors that we specify. Currently, we permit you to use Background Screeners of America for background check services.

G. Designated Labs. You must only use labs that we specify to handle drug and DNA testing. Currently, we permit you to use Quest Labs, Alere Labs, CRL Labs, Labcorp, and Medtox Lab for drug testing, and we permit you to use Labcorp and DDC Labs for DNA testing.

H. Vehicle. You must use a personal vehicle to conduct your business, which must be in excellent or better condition and free from dents, scratches, or other damage. Your employees will be required to use their personal vehicles for business purposes.

Us or our Affiliates as Supplier

Neither we nor any affiliate is currently a supplier of any good or service that you must purchase, although we reserve the right to be a supplier (or the sole supplier) of a good or service in the future.

Ownership of Suppliers

None of our officers owns an interest in any supplier to our franchisees.

Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers, you must request our approval in writing. We have the sole discretion to approve or reject an alternative supplier. We may condition our approval on criteria we deem appropriate, such as evaluations of the supplier's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our

approval in writing, and we grant approval. There is no fee for us to review or approve an alternate supplier. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications after evaluating the intended changes. We may also conduct limited market testing in one or more outlets.

Revenue to Us and Our Affiliates

We currently do not derive revenue from the required purchases and leases by franchisees. However, the franchise agreement does not prohibit us from doing so.

Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are 70% to 90% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases of goods and services to operate your business are 60% to 80% of your total purchases and leases of goods and services to operate your business.

Payments by Designated Suppliers to Us

We do not currently receive payments from any designated suppliers based on purchases by you or other franchisees. However, the franchise agreement does not prohibit us from doing so. We have the right to earn a profit from any product we supply or from designated suppliers. We are not required to give you an accounting of any payments we receive from designated suppliers, nor are we required to share any benefits of supplier payments with you or with any other franchisee.

Some suppliers may pay us fees for sponsorships or display space at our meetings for franchise owners. In the prior fiscal year, we did not receive any such payments.

Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

Negotiated Arrangements

We do not negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees. However, we may do so in the future.

Benefits Provided to You for Purchases

We do not provide any material benefit to you based on your purchase of particular goods or services, or your use of particular suppliers.

## Item 9
## FRANCHISEE'S OBLIGATIONS

**This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.**

| Obligation | Section in agreement | Disclosure document item |
|---|---|---|
| a. Site selection and acquisition/lease | §§ 6.1, 6.2 | Item 11 |
| b. Pre-opening purchase/leases | §§ 6.2, 6.3 | Items 5, 7, 8 and 11 |
| c. Site development and other pre-opening requirements | Article 6 | Items 5, 7, 8 and 11 |
| d. Initial and ongoing training | §§ 5.2, 6.4, 7.7 | Items 5, 6, 8 and 11 |
| e. Opening | §§ 6.5, 6.6 | Items 7, 8 and 11 |
| f. Fees | Article 4, §§ 5.3, 6.6, 6.7, 6.8, 7.9, 8.4, 10.5, 11.2, 11.3, 11.13, 14.5, 15.2, 16.1, 17.6 | Items 5, 6 and 7 |
| g. Compliance with standards and policies/operating manual | §§ 6.3, 7.1, 7.3, 7.6, 7.10 – 7.13, 7.16, 9.1, 9.2, 10.1, 10.4, 11.1 | Items 8, 11 and 14 |
| h. Trademarks and proprietary information | Article 12, § 13.1 | Items 13 and 14 |
| i. Restrictions on products/services offered | § 7.3 | Items 8, 11 and 16 |
| j. Warranty and customer service requirements | §§ 7.3, 7.9, 7.10 | Item 8 |
| k. Territorial development and sales quotas | § 2.2, 4.2, 14 | Item 6, 12 |
| l. Ongoing product/service purchases | Article 8 | Items 6 and 8 |
| m. Maintenance, appearance, and remodeling requirements | §§ 3.2, 7.11, 7.13, 15.2 | Items 6, 7 and 8 |

| Obligation | Section in agreement | Disclosure document item |
|---|---|---|
| n. Insurance | § 7.16 | Items 6, 7 and 8 |
| o. Advertising | Article 9 | Items 6, 7, 8 and 11 |
| p. Indemnification | Article 16 | Items 6 and 8 |
| q. Owner's participation/management/staffing | §§ 2.4, 7.6 | Item 15 |
| r. Records and reports | Article 10 | Item 11 |
| s. Inspections and audits | §§ 10.5, 11.2 | Items 6 and 11 |
| t. Transfer | Article 15 | Items 6 and 17 |
| u. Renewal | §§ 3.2, 18.11 | Items 6 and 17 |
| v. Post-termination obligations | Article 13, §§ 14.3, 14.4 | Item 17 |
| w. Non-competition covenants | § 13.2 | Item 17 |
| x. Dispute resolution | Article 17 | Items 6 and 17 |

## Item 10
## FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligations.

## Item 11
## FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

**Except as listed below, we are not required to provide you with any assistance.**

Our Pre-Opening Obligations

Before you open your business:

A. *Your site.* We anticipate that you will manage your business from your home (if permitted by local law). If you elect to open an office location as well as the mobile unit then we will review and advise you regarding potential locations that you submit to us. (Section 5.2).

(i) We generally do not own your premises and lease it to you.

(ii) If you elect to also have an office location and your site is not already known and approved by us when you sign your franchise agreement, then we and you will specify in your franchise agreement the area in which you must select a site (Franchise Agreement, Summary Page). We do not select your site. If you chose to

also operate an office location, you will submit your site to us for approval, together with all information and documents about the site that we request. When we accept a site, we will issue a Location Acceptance Letter (in the form of Attachment 2 to the Franchise Agreement).

(iii) The factors we may consider in approving sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size, physical characteristics of existing buildings, and lease terms.

(iv) The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. (Section 6.1).

(v) We are not obligated to assist you in conforming the premises of your site to local ordinances and building codes and obtaining any required permits. This will be your responsibility.

B. *Constructing, remodeling, or decorating the premises*. If you chose to also operate an in-office location, we will advise you regarding the layout, design, and build-out of your business. (Section 5.2)

C. *Hiring and training employees*. Our opening support (as described below) includes assisting you in training employees. All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

D. *Necessary equipment, signs, fixtures, opening inventory, and supplies.* We will provide you a list of our specifications and approved suppliers for equipment, signs, opening inventory, and supplies necessary to open your business. (Section 5.2) We do not provide these items directly; we only provide the names of approved suppliers. We do not deliver or install these items.

E. *Brand Standards Manual*. We will give you access to our Brand Standards Manual in such format as we deem appropriate. (Section 5.1).

F. *Initial Training Program.* We will conduct our initial training program. (Section 5.2). The current initial training program is described below.

G. *Business plan review*. If you request, we will review your pre-opening business plan and financial projections. (Section 5.2)

H. *Market introduction plan*. We will advise you regarding the planning and execution of your market introduction plan. (Section 5.2)

Length of Time to Open

The typical length of time between signing the franchise agreement and the opening of your business is three to six months. Factors that may affect the time period include your ability to obtain a lease, obtain financing, develop your location, obtain business permits and licenses, and hire employees.

Our Post-Opening Obligations

After you open your business:

A. *Developing products or services you will offer to your customers*. Although it is our intent to refine and develop products or services that you will offer to your customers, the franchise agreement does not obligate us to do so.

B. *Hiring and training employees*. All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

C. *Improving and developing your business; resolving operating problems you encounter.* If you request, we will provide advice to you (by telephone or electronic communication) regarding improving and developing your business, and resolving operating problems you encounter, to the extent we deem reasonable. If we provide in-person support in response to your request, we may charge a fee (currently $600 per day) plus any out-of-pocket expenses (such as travel, lodging, and meals for our employees providing onsite support). (Section 5.3)

D. *Establishing prices*. Upon your request, we will provide recommended prices for products and services. (Section 5.3). For any accounts that we might designate as regional or national accounts (including accounts which we expect to be served by multiple franchisees), we reserve the right to set pricing. Otherwise, you retain the discretion to determine prices you charge.

E. *Establishing and using administrative, bookkeeping, accounting, and inventory control procedures.* To the extent we determine, we will provide you our recommended procedures for administration, bookkeeping, accounting, and inventory control (Section 5.3). We may make any such procedures part of required (and not merely recommended) procedures for our system.

F. *Marketing Fund*. We have not yet started a Marketing Fund. We reserve the right to establish a Marketing Fund and charge you up to 2% of your adjusted gross sales (Section 5.3). In the event that we start a Marketing fund, we will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of our fiscal year and will provide the financial statement to you upon written request. (Section 9.3)

G. *Website*. We will maintain a website for the Complete Mobile Drug Testing brand. (Section 5.3)

Advertising

*Our obligation*. We have not yet started a Marketing Fund. In the event that we start a Marketing Fund, we will use the Marketing Fund only for marketing and related purposes and costs. Media coverage is primarily local. We use outside vendors and consultants to produce advertising. We are not required to spend any amount of advertising in the area or territory where any particular franchisee is located. We will maintain the brand website (which may be paid for by the Marketing Fund). We have no other obligation to conduct advertising.

*Your own advertising material*. You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 14 days prior to use. If we do not respond, the material is deemed rejected. If you develop any advertising or marketing materials, we may use those materials for any purpose, without any payment to you. We have the right to establish and control all social media accounts and other digital marketing. You must ensure that all advertising or marketing materials that you use are clear, factual, ethical, and not misleading; comply with our brand standards; and comply with all laws.

*Advertising council*. We do not have an advertising council composed of franchisees. The franchise agreement does not give us the power to form an advertising council.

*Marketing Fund*. We have not yet started a Marketing Fund. In the event that we start a Marketing Fund, your contribution will be up to 2% of adjusted gross sales per month; however, we reserve the right to have other franchisees contribute a different amount or at a different rate. Outlets that we or our affiliates own are not obligated to contribute to the Marketing Fund. We administer the fund. The fund is not audited. We will make unaudited annual financial statements available to you upon request.

We did not spend any money from the Marketing Fund in our most recently concluded fiscal year.

If less than all marketing funds are spent in the fiscal year in which they accrue, the money will remain in the Marketing Fund to be spent in the next year.

No money from the Marketing Fund is spent principally to solicit new franchise sales.

*Market introduction plan.* You must develop a market introduction plan and obtain our approval of the plan at least 30 days before the projected opening date of your business.

Point of Sale and Computer Systems

We require you to have a desktop computer or laptop and standard office peripherals. We require you to use Electronic Merchant Systems as your point-of-sale system. The system allows you to accept various payment methods and manage daily operations. Electronic Merchant Systems will allow you to store a variety of information, including customer payment details, inventory data, sales records, and other business-related information. The system also allows for secure storage of customer profiles for recurring payments.

We also require you to use QuickBooks software. QuickBooks is accounting software that you will use to manage your business finances. It provides tools for tracking income, expenses, and bank transactions, and offers features like invoicing, bill management, and payroll.

We estimate that these systems will cost between $2,500 and $5,000 to purchase.

We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. We do not require you enter into any such contract with a third party.

You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation.

We estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be $1,000.

You must give us independent access to the information that will be generated or stored in these systems. The information that we may access will include sales, customer data, and reports. There is no contractual limitation on our right to access the information.

Brand Standards Manual

See Exhibit F for the table of contents of our Brand Standards Manual as of the date this disclosure document, with the number of pages devoted to each subject. The Manual currently has 143 pages. This information is subject to change.

Training Program

Our training program consists of the following:

**TRAINING PROGRAM**

| Subject | Hours of Classroom Training | Hours of On-The-Job Training | Location |
|---|---|---|---|
| Introduction to the Franchise System | 1 | 0 | Greenfield, WI |
| Brand Culture | .5 | 0 | Greenfield, WI |
| Operations (SOPs) | 2 | 2 | Greenfield, WI |
| Product or Service Training | 4 | 5 | Greenfield, WI |
| Customer Service | .5 | 1 | Greenfield, WI |
| Sales and Marketing | 1 | 1 | Greenfield, WI |
| Technology and Systems | 2 | 5 | Greenfield, WI |
| HR and Staff Management | 1 | 1 | Greenfield, WI |
| Site Operations and Maintenance | 2 | 5 | Greenfield, WI |
| Legal and Compliance | 1 | 1 | Greenfield, WI |
| **TOTALS:** | 15 | 21 | |

Training classes will be scheduled in accordance with the needs of new franchisees. We anticipate holding quarterly training classes. Training will be held at our offices and business location in Greenfield, Wisconsin. We reserve the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the initial training program.

The instructional materials consist of the Brand Standards Manual and other materials, lectures, discussions, and on-the-job demonstration and practice.

Training classes will be led or supervised by Milka Krecak, Stevan Krecak, Petar Krecak, and. Their experience is described in Item 2. Milka has 15 years of experience in our industry, and 15 years of experience with us or our affiliates. Stevan has 6 years of experience in our industry and 6 years of experience with us or our affiliates. Petar has 7 years of experience in our industry and 6 years of experience with us or our affiliates. Sebrina has 8 years of experience in our industry, and 8 years of experience with us or our affiliates.

There is no fee for up to three people to attend training. You must pay the travel and living expenses of people attending training.

You must attend training. You may send any additional people to training that you want (up to the maximum described above). You must complete training to our satisfaction at least four weeks before opening your business.

Your business must at all times be under your on-site supervision or under the on-site supervision of a general manager who has completed our training program. If you need to send a new general manager to our training program, we will charge a fee, which is currently $250 per day. Otherwise, we do not currently require additional training programs or refresher courses, but we have the right to do so.

## Item 12
## TERRITORY

Your Location

We anticipate that you will manage from your home or from a small office setting. Your primary office must be located in your territory. If you elect to also operate an in-office location, then your location is subject to our approval.

Grant of Territory

Your franchise agreement will specify a territory which will have a population of approximately 250,000 people. The boundaries of your territory will be specified by zip codes, county or city lines, or some other limit.

Relocation; Establishment of Additional Outlets

You may relocate your business headquarters anywhere in your territory. If you open an in-office location which is open to the public, you do not have the right to relocate your business, and we have no obligation to approve any request for relocation. Our policy is to approve relocation of a franchisee's business on a case-by-case basis, considering factors such as changes in demographics, profitability of your current business, or a loss of your premises due to circumstances beyond your control.

If we approve, you must comply with the conditions described in the franchise agreement for developing a location and satisfy any other conditions we require.

You do not have the right to establish additional franchised outlets or expand into additional territory. If you desire to do so, you must (1) meet our then-current criteria for new franchisees, (2) be in compliance with your franchise agreement at all times since opening your business, (3) have demonstrated your capability to operate a multi-territory franchise successfully, and (4) obtain our agreement.

Options to Acquire Additional Franchises

You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises.

Territory Protection

In your franchise agreement, we grant you an exclusive territory. In your territory, we will not establish either a company-owned or franchised outlet selling the same or similar goods or services under the same or similar trademarks or service marks as a Complete Mobile Drug Testing outlet.

You must achieve annual minimum sales and pay annual minimum royalty fees as follows:

| **Minimum Performance Requirements** | | | | | | |
|---|---|---|---|---|---|---|
| | **Year 1** | | **Year 2** | | **Year 3 and thereafter** | |
| **Total Territories** | **Minimum Annual Sales** | **Minimum Annual Royalty** | **Minimum Annual Sales** | **Minimum Annual Royalty** | **Minimum Annual Sales** | **Minimum Annual Royalty** |
| 1 | $25,000 | $2,500 | $25,000 | $2,500 | $25,000 | $2,500 |
| 2 | $25,000 | $2,500 | $50,000 | $5,000 | $50,000 | $5,000 |
| 3 | $25,000 | $2,500 | $50,000 | $5,000 | $75,000 | $7,500 |
| 4 | $25,000 | $2,500 | $50,000 | $5,000 | $100,000 | $10,000 |
| 5 | $25,000 | $2,500 | $50,000 | $5,000 | $125,000 | $12,500 |
| 6 | $25,000 | $2,500 | $50,000 | $5,000 | $150,000 | $15,000 |

If you fail to meet the minimum annual sales requirement, we may (1) alter your territory (including eliminating portions of your territory), (2) eliminate your exclusivity in the territory, and/or (3) declare you in default of the franchise agreement.

This minimum sales requirement is not a financial performance representation by us.

Except as shown in the table above, the continuation of your territorial exclusivity does not depend on achieving a certain sales volume, market penetration, or other contingency. There are no circumstances that permit us to modify your territorial rights.

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

Except as described in this paragraph, we will not serve customers in your territory, nor authorize another party to serve customers in your territory, under our Complete Mobile Drug Testing brand. However, we may serve (or authorize other franchisees to serve) customers in your territory if you are in default, or if you are incapable of meeting customer demand in your territory. We may also serve (or authorize another franchisee to serve) a particular customer in your territory if you fail to properly serve such customer, or if we reasonably believe that you will not properly serve such customer. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory (i) using our principal trademarks, but only for sales of products or services different from the ones you will offer, and (ii) using trademarks different from the ones you will use. In the circumstances where the franchise agreement does not prohibit us from soliciting or accepting orders from inside your territory, we do not pay any compensation to you.

Soliciting by You Outside Your Territory

You cannot solicit or market to potential customers outside of your territory, except for solicitations or marketing which are primarily targeted inside the territory and which incidentally reach potential customers outside of the territory. You cannot serve customers outside of your territory without our prior written permission. We may withdraw permission at any time.

Competition by Us Under Different Trademarks

Neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement allows us to do so.

## Item 13
## TRADEMARKS

Principal Trademark

The following is the principal trademark that we license to you. This trademark is owned by our affiliate, Complete Mobile Drug Testing LLC. It is registered on the Supplemental Register of the United States Patent and Trademark Office.

| Trademark | Registration Date | Number |
|---|---|---|
| Complete Mobile Drug Testing | January 6, 2026 | 8097428 |

Because the federal trademark registration is less than six years old, no affidavits are required at this time, and no required affidavits have been filed. The registration has not yet been renewed.

Determinations

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings.

Litigation

There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

Agreements

There are no currently effective agreements that significantly limit our rights to use or license the use of trademarks listed above in a manner material to the franchise.

Complete Mobile Drug Testing, LLC, our affiliate, owns the trademarks described in this Item. Under an Intercompany License Agreement between us and Complete Mobile Drug Testing, LLC, we have been granted the exclusive right to sublicense the trademarks to franchisees throughout the United States. The agreement has no expiration. It may be modified only by mutual consent of the parties. It may be terminated by our affiliate only if (1) we materially misuse the trademarks and fail to correct the misuse, or (2) we discontinue commercial use of the trademarks for a continuous period of more than one year. The Intercompany License Agreement specifies that if it is ever terminated, your franchise rights will remain unaffected.

Protection of Rights

We protect your right to use the principal trademarks listed in this Item, and we protect you against claims of infringement or unfair competition arising out of your use of the trademarks, to the extent described in this section.

The franchise agreement obligates you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a trademark licensed to you. The franchise agreement does not require us to take affirmative action when notified of these uses or claims. We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you.

If you use our trademarks in accordance with the franchise agreement, then (i) we will defend you (at our expense) against any legal action by a third-party alleging infringement by your use of the trademark, and (ii) we will indemnify you for expenses and damages if the legal action is resolved unfavorably to you.

Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense. You will have a reasonable period of time to comply with the change,

not to exceed 90 days. After such period, you would no longer have the right to use the unmodified or discontinued trademark. Your rights under the franchise agreement do not change, other than the modification or discontinuation of the trademark.

Superior Prior Rights and Infringing Uses

We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks. There may be other uses of marks similar to our trademarks that may affect your use of our trademarks. We cannot represent with certainty that we have exclusive or superior rights to our marks in all geographical areas. You should understand that there could be other businesses using trademarks, trade names or other symbols similar to our Marks with superior rights to our rights. Before starting your business, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise in order to avoid the possibility of having to change your business name.

## Item 14
## PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

We do not own rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications.

Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Brand Standards Manual as well as all other sales, training, management and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

We do not have any registered copyrights. There are no pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights, at your expense.

We do not know of any copyright infringement that could materially affect you.

Proprietary Information

We have a proprietary, confidential Brand Standards Manual and related materials that include guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

All customer data and point-of-sale data generated by your business is confidential information and is exclusively owned by us. We license such data back to you without charge solely for your use in connection with your Complete Mobile Drug Testing business.

You (and your owners, if the franchise is owned by an entity) must protect the confidentiality of our Brand Standards Manual and other proprietary information, and you must use our confidential information only for your franchised business. We may require your managers and key employees to sign confidentiality agreements.

You must disclose to us all ideas, plans, improvements, concepts, methods, and techniques relating to your Complete Mobile Drug Testing business that you conceive or develop. We will automatically own all such innovations, and we will have the right to incorporate any innovations into our system for use by all franchisees, without any compensation to you.

## Item 15
## OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Your Participation

You must devote substantial time and attention to your business.

If you are the sole owner of the business, then you are deemed the "Principal Executive". If the business is owned through a corporation or limited liability company, you must designate one owner as your "Principal Executive". The Principal Executive is the owner primarily responsible for the business and has decision-making authority on behalf of the business. The Principal Executive must own at least 30% of the business. The Principal Executive must complete our initial training program. The Principal Executive must complete any post-opening training programs that we develop in the future. The Principal Executive must make reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls), including regional or national brand conferences, that we require. The Principal Executive cannot fail to attend more than three consecutive required meetings.

If your business is owned by an entity, all owners of the business must sign our Guaranty and Non-Compete Agreement (see Attachment 3 to Exhibit B). We do not require owners' spouses to sign a personal guaranty, unless the spouse is also an owner.

"On-Premises" Supervision

You are not required to personally conduct "on-premises" supervision (that is, act as general manager) of your business. However, we recommend on-premises supervision by you.

There is no limit on who you can hire as an on-premises supervisor or general manager, and such person is not required to be an owner of the franchise; however, each person acting as on-premises supervisor or general manager (whether that is you or a hired person) must successfully complete our training program.

If the franchise business is owned by an entity, we do not require that the general manager /on-site supervisor own any equity in the entity.

Restrictions on Your Manager

If we request, you must have your general manager/on-site supervisor (and other key employees that we reasonably designate) sign a confidentiality and non-compete agreement. We will not require you to enter into a confidentiality and non-compete agreement that violates applicable state law or that prohibits a person from being employed by another Complete Mobile Drug Testing outlet. We do not require you to place any other restrictions on your manager or on-site supervisor.

## Item 16
## RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale only goods and services that we have approved.

You must offer for sale all goods and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes.

We do not restrict your access to customers, except that all sales must be made to customers in your territory.

## Item 17
## RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

### THE FRANCHISE RELATIONSHIP

**This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.**

| Provision | Section in franchise or other agreement | Summary |
|---|---|---|
| a. Length of the franchise term | Franchise Agreement (FA): § 3.1 | The term of the franchise agreement is ten years from date of signing. |

| Provision | Section in franchise or other agreement | Summary |
|---|---|---|
| | | |
| b. Renewal or extension of the term | FA: § 3.2 | You may obtain a successor franchise agreement for up to two additional five-year terms. |
| c. Requirements for franchisee to renew or extend | FA: §§ 3.2, 18.11 | For our franchise system, "renewal" means that at the end of your term, you sign our successor franchise agreement for an additional five-year term. You may be asked to sign a contract with materially different terms and conditions than your original contract.<br>To renew, you must give advance notice to us; be in compliance with all contractual obligations to us and third parties; must have substantially complied with the franchise agreement and other agreements with us throughout the term; have not defaulted more than twice under the franchise agreement; complied with all requirements of ethics and values; renovate to our then-current standards; sign then-current form of franchise agreement and related documents (including personal guaranty); pay renewal fee; sign general release (unless prohibited by applicable law).<br>If you continue operating your franchise after the expiration of the term without a renewal agreement, then we may either consider the agreement as having expired (meaning that you are in violation of our rights) or consider the term to continue on a month-to-month basis. |
| d. Termination by franchisee | FA: § 14.1 | If we violate a material provision of the franchise agreement and fail to cure or to make substantial progress toward curing the violation within 30 days after notice from you. |
| e. Termination by franchisor without cause | Not Applicable | |
| f. Termination by franchisor with cause | FA: § 14.2 | We may terminate your agreement for cause, subject to any applicable notice and cure opportunity. |

| Provision | Section in franchise or other agreement | Summary |
|---|---|---|
| g. “Cause” defined--curable defaults | FA: § 14.2 | Non-payment by you (10 days to cure); violate franchise agreement other than non-curable default (30 days to cure). |
| h. “Cause” defined--non-curable defaults | FA: § 14.2 | FA: Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; fail to open by specified deadline; fail to meet annual sales minimum; violation of law; violation of confidentiality; violation of non-compete; violation of ethics and values; violation of transfer restrictions; slander or libel of us; refusal to cooperate with our business inspection; cease operations; operate in a manner dangerous to health or safety (if not corrected within 48 hours); three defaults in 12 months; cross-termination; charge or conviction of, or plea to a felony, or commission or accusation of an act that is reasonably likely to materially and unfavorably affect our brand; any other breach of franchise agreement which by its nature cannot be cured; failure to meet the minimum sales standards for two consecutive years |
| i. Franchisee’s obligations on termination/non-renewal | FA: §§ 14.3 – 14.6 | Pay all amounts due; return Manual and proprietary items; cancel assumed names; cancel or transfer phone, post office boxes, directory listings, and digital marketing accounts; cease doing business; remove identification; purchase option by us. |
| j. Assignment of contract by franchisor | FA: § 15.1 | Unlimited |
| k. “Transfer” by franchisee - defined | FA: Article 1 | For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business. |
| l. Franchisor’s approval of transfer by franchisee | FA: § 15.2 | No transfers without our approval. |

| Provision | Section in franchise or other agreement | Summary |
|---|---|---|
| m. Conditions for franchisor's approval of transfer | FA: § 15.2 | Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement and related documents (including personal guaranty); you've made all payments to us and are in compliance with all contractual requirements; buyer completes training program; you sign a general release (subject to state law); business complies with then-current system specifications (including remodel, if applicable). |
| n. Franchisor's right of first refusal to acquire franchisee's business | FA: § 15.5 | If you want to transfer your business (other than to your co-owner or your spouse, sibling, or child), we have a right of first refusal. |
| o. Franchisor's option to purchase franchisee's business | FA: § 14.6 | When your franchise agreement expires or is terminated, we will have the right to purchase any or all of the assets of your business. |
| p. Death or disability of franchisee | FA: §§ 2.4, 15.4 | If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months. We have the right to temporarily operate the business if you die or become incapacitated. |
| q. Non-competition covenants during the term of the franchise | FA: § 13.2 | Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by, any competitor. |
| r. Non-competition covenants after the franchise is terminated or expires | FA: § 13.2 | For two years, neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a competitor located within five miles of your former territory (or of your site selection area if no territory had been set) or of the territory of any other Complete Mobile Drug Testing business operating on the date of termination or expiration. |
| s. Modification of the agreement | FA: § 18.4 | No modification or amendment of the agreement will be effective unless it is in |

| Provision | Section in franchise or other agreement | Summary |
|---|---|---|
| | | writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications. |
| t. Integration/merger clause | FA: § 18.3 | Only the terms of the agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. However, no claim made in any franchise agreement is intended to disclaim the express representations made in this Disclosure Document. |
| u. Dispute resolution by arbitration or mediation | FA: § 17.1 | All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law). |
| v. Choice of forum | FA: §§ 17.1; 17.5 | Arbitration will take place where our headquarters is located (currently, Greenfield, Wisconsin) (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law). |
| w. Choice of law | FA: § 18.8 | Wisconsin (subject to applicable state law). |

For additional disclosures required by certain states, refer to Exhibit H - State Addenda to Disclosure Document.

## Item 18
## PUBLIC FIGURES

We do not use any public figure to promote our franchise.

## Item 19
## FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document.

Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

| | 2025 | |
|---|---|---|
| | Amount | % of Sales |
| Sales | $889,003.00 | 100% |
| Cost of Goods Sold | $21,611.03 | 2% |
| Labor Cost | $436,703.11 | 49% |
| Rent | $26,840.00 | 3% |
| Other Costs | $9,719.00 | 1% |
| **Net Profit** | **$394,129.86** | **44%** |
| | | |
| Royalty Fee | $88,900.30 | 10% |

Notes

1. The table above shows a summary adjusted profit statement for the Complete Mobile Drug Testing operated by our affiliate, Complete Mobile Drug Testing, LLC, in calendar year 2025. It is the only location that operated during 2025. This affiliate operated business operates in an area that is the equivalent of approximately 6 territories, as described in Item 12. This information is a historic financial performance representation.

2. This Complete Mobile Drug Testing business is located in Greenfield, Wisconsin, which is a suburb of Milwaukee, Wisconsin. This location operates a mobile business but also has a publicly accessible leased office space. Characteristics of this outlet related to its geographic location, such as population density and climate, may differ materially from those of the outlet that may be offered to you.

3. "Sales" means the total revenue derived from the sale of goods or services less discounts and refunds.

4. "Cost of Goods Sold" refers to the costs of raw materials, in this case testing supplies and lab services.

5. "Labor Cost" is our affiliate's cost of hourly labor, including bonuses, payroll taxes, workers comp insurance, and payroll processing. It does not include salary or compensation for our owners.

6. "Rent" is our affiliate's annual cost to lease a publicly accessible office space that is approximately 1,260 square feet.

7. "Other Costs" includes various other operating expenses, such as insurance, marketing, phone, internet, utilities, software and subscriptions, training and certifications, and equipment.

8. "Net Profit" is Sales less expenses shown above. It does not include interest, taxes, depreciation, or amortization.

9. "Royalty Fee" is the fee this location would have paid if it had been a franchise. Your Royalty Fee is 10% of your Adjusted Gross Sales. You must pay an annual minimum Royalty Fee of $2,500 per separate territory.

**Some outlets have sold and earned these amounts. Your individual results may differ. There is no assurance that you'll sell or earn as much.**

Written substantiation of the information contained in this Item 19 will be made available to prospective franchisees upon reasonable request.

Other than the preceding financial performance representation, Complete Mobile Drug Testing Franchise LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Milka Krecak, 4805 S. 74th St., Suite B, Greenfield, WI 53220, and 262-982-6034, the Federal Trade Commission, and the appropriate state regulatory agencies.

## Item 20
## OUTLETS AND FRANCHISEE INFORMATION

### Table 1
### Systemwide Outlet Summary
### For Years 2023 to 2025

| Column 1<br>Outlet Type | Column 2<br>Year | Column 3<br>Outlets at the Start of the Year | Column 4<br>Outlets at the End of the Year | Column 5<br>Net Change |
|---|---|---|---|---|
| Franchised | 2023 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 |
| | 2025 | 0 | 0 | 0 |
| Company-Owned | 2023 | 1 | 1 | 0 |
| | 2024 | 1 | 1 | 0 |
| | 2025 | 1 | 1 | 0 |
| **Total Outlets** | **2023** | **1** | **1** | **0** |
| | **2024** | **1** | **1** | **0** |

| Column 1<br>Outlet Type | Column 2<br>Year | Column 3<br>Outlets at the Start of the Year | Column 4<br>Outlets at the End of the Year | Column 5<br>Net Change |
|---|---|---|---|---|
| | **2025** | **1** | **1** | **0** |

## Table 2
## Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
## For Years 2023 to 2025

| Column 1<br>State | Column 2<br>Year | Column 3<br>Number of Transfers |
|---|---|---|
| N/A | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 0 |
| **Total** | **2023** | **0** |
| | **2024** | **0** |
| | **2025** | **0** |

## Table 3
## Status of Franchised Outlets
## For Years 2023 to 2025

| Column 1<br>State | Column 2<br>Year | Column 3<br>Outlets at the Start of the Year | Column 4<br>Outlets Opened | Column 5<br>Termi-Nations | Column 6<br>Non-Renewals | Column 7<br>Reacquired by Franchisor | Column 8<br>Ceased Operations – Other Reasons | Column 9<br>Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| N/A | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2025 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Totals** | **2023** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| | **2024** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| | **2025** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |

**Table 4**
**Status of Company-Owned Outlets**
**For Years 2023 to 2025**

| Column 1 State | Column 2 Year | Column 3 Outlets at the Start of the Year | Column 4 Outlets Opened | Column 5 Outlets Reacquired from Franchisee | Column 6 Outlets Closed | Column 7 Outlets Sold to Franchisee | Column 8 Outlets at End of the Year |
|---|---|---|---|---|---|---|---|
| Wisconsin | 2023 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 1 |
| **Totals** | **2023** | **1** | **0** | **0** | **0** | **0** | **1** |
| | **2024** | **1** | **0** | **0** | **0** | **0** | **1** |
| | **2025** | **1** | **0** | **0** | **0** | **0** | **1** |

**Table 5**
**Projected Openings As Of December 31, 2025**

| Column 1 State | Column 2 Franchise Agreements Signed but Outlet Not Opened | Column 3 Projected New Franchised Outlets in the Next Fiscal Year | Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year |
|---|---|---|---|
| Florida | 0 | 2 | 0 |
| Nebraska | 0 | 1 | 0 |
| North Carolina | 0 | 1 | 0 |
| Pennsylvania | 0 | 1 | 0 |
| Tennessee | 0 | 1 | 0 |
| Texas | 0 | 2 | 0 |
| **Totals** | **0** | **8** | **0** |

Current Franchisees

Exhibit G contains the names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets.

Former Franchisees

Exhibit G contains the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business

under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Confidentiality Clauses

In the last three fiscal years, no franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

## Item 21
## FINANCIAL STATEMENTS

**We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission.** Exhibit E contains our audited balance sheet opinion for the year ending December 31, 2025. Our fiscal year end is December 31.

## Item 22
## CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
C. Rider to Lease Agreement
D. Form of General Release
I. State Addenda to Agreements
J. Franchisee Acknowledgement
K. SBA Addendum
L. Confidentiality and Noncompete Agreement

## Item 23
## RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.

## EXHIBIT A

## STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

We may register this Disclosure Document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

| State | State Administrator | Agent for Service of Process (if different from State Administrator) |
|---|---|---|
| California | Commissioner of Financial Protection and Innovation<br>Department of Financial Protection and Innovation<br>2101 Arena Blvd.<br>Sacramento, CA 95834<br>866-275-2677<br>www.dfpi.ca.gov<br>Ask.DFPI@difpi.ca.gov | |
| Hawaii | Department of Commerce and Consumer Affairs<br>Business Registration Division<br>Commissioner of Securities<br>P.O. Box 40<br>Honolulu, HI 96810<br>(808) 586-2722 | Commissioner of Securities<br>Department of Commerce and Consumer Affairs<br>Business Registration Division<br>Securities Compliance Branch<br>335 Merchant Street, Room 203<br>Honolulu, HI 96813 |
| Illinois | Franchise Bureau<br>Office of Attorney General<br>500 South Second Street<br>Springfield, IL 62706<br>(217) 782-4465 | |
| Indiana | Franchise Section<br>Indiana Securities Division<br>Secretary of State<br>Room E-111<br>302 W. Washington Street<br>Indianapolis, IN 46204<br>(317) 232-6681 | |
| Maryland | Office of the Attorney General<br>Division of Securities<br>200 St. Paul Place<br>Baltimore, MD 21202-2020<br>(410) 576-6360 | Maryland Commissioner of Securities<br>200 St. Paul Place<br>Baltimore, MD 21202-2020 |
| Michigan | Michigan Attorney General's Office<br>Consumer Protection Division<br>Attn: Franchise Section<br>525 W. Ottawa Street<br>Williams Building, 1st Floor<br>Lansing, MI 48933<br>(517) 373-7117 | |

| State | State Administrator | Agent for Service of Process (if different from State Administrator) |
|---|---|---|
| Minnesota | Minnesota Department of Commerce<br>Securities-Franchise Registration<br>85 7th Place East, Suite 280<br>St. Paul, MN 55101-2198<br>(651) 539-1500 | Commissioner of Commerce<br>Minnesota Department of Commerce<br>85 7th Place East, Suite 280<br>St. Paul, MN 55101-2198<br>(651) 539-1500 |
| New York | NYS Department of Law<br>Investor Protection Bureau<br>28 Liberty St. 21st Floor<br>New York, NY 10005<br>212-416-8222 | Secretary of State<br>99 Washington Avenue<br>Albany, NY 12231 |
| North Dakota | North Dakota Insurance & Securities Department<br>600 East Boulevard Ave., , Dept. 414<br>Bismarck, ND 58505-0510<br>(701) 328-2910 | |
| Oregon | Department of Consumer & Business Services<br>Division of Finance and Corporate Securities<br>Labor and Industries Building<br>Salem, Oregon 97310<br>(503) 378-4140 | |
| Rhode Island | Department of Business Regulation<br>Securities Division<br>1511 Pontiac Avenue<br>Building 68-2<br>Cranston, RI 02920-4407<br>(401) 462-9527 | |
| South Dakota | Division of Insurance<br>Securities Regulation<br>124 South Euclid Suite 104<br>Pierre, SD 57501-3185<br>(605) 773-3563 | |
| Virginia | State Corporation Commission<br>1300 East Main Street<br>9th Floor<br>Richmond, VA 23219<br>(804) 371-9051 | Clerk of the State Corporation Commission<br>1300 East Main Street, 1st Floor<br>Richmond, VA 23219 |
| Washington | Department of Financial Institutions<br>Securities Division<br>P.O. Box 41200<br>Olympia, WA 98504-1200<br>(360) 902-8760 | Department of Financial Institutions<br>Securities Division<br>150 Israel Rd SW<br>Tumwater, WA 98501<br>(360) 902-8760 |
| Wisconsin | Division of Securities<br>Department of Financial Institutions<br>4822 Madison Yards Way<br>Madison, WI 53705<br>(608) 266-0448 | Division of Securities<br>Department of Financial Institutions<br>4822 Madison Yards Way<br>Madison, WI 53705<br>(608) 261-7577 |

# EXHIBIT B

# FRANCHISE AGREEMENT

COMPLETE MOBILE DRUG TESTING

# FRANCHISE AGREEMENT

| SUMMARY PAGE | | |
|---|---|---|
| **1.** | **Franchisee** | _____ |
| **2.** | **Initial Franchise Fee** | $_____ |
| **3.** | **Business Location** | _____ |
| **4.** | **Territory** | _____ |
| **5.** | **Opening Deadline** | _____ |
| **6.** | **Principal Executive** | _____ |
| **7.** | **Franchisee's Address** | _____ |

# FRANCHISE AGREEMENT

This Agreement is made between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise"), and Franchisee effective as of the date signed by CMDT Franchise (the "Effective Date").

## Background Statement:

A. CMDT Franchise and its affiliate Complete Mobile Drug Testing, LLC have created and own a system (the "System") for developing and operating a mobile business that provides drug testing, DNA testing, and background checks, under the trade name "Complete Mobile Drug Testing". You may also elect to offer the same services at an in-office location.

B. The System includes (1) methods, procedures, and standards for developing and operating a Complete Mobile Drug Testing business, (2) plans, specifications, equipment, signage, and trade dress for Complete Mobile Drug Testing businesses, (3) particular products and services, (4) the Marks, (5) training programs, (6) business knowledge, (7) marketing plans and concepts, and (8) other mandatory or optional elements as determined by CMDT Franchise from time to time.

C. The parties desire that CMDT Franchise license the Marks and the System to Franchisee for Franchisee to develop and operate a Complete Mobile Drug Testing business on the terms and conditions of this Agreement.

## ARTICLE 1. DEFINITIONS

"**Action**" means any action, suit, proceeding, claim, demand, governmental investigation, governmental inquiry, or judgment, or appeal thereof, whether formal or informal.

"**Adjusted Gross Sales**" means the gross total dollar amount of all sales generated through the Business for a given period, including, but not limited to, payment for any services or products sold by Franchisee, whether for cash or credit, and any proceeds of business interruption insurance, minus (i) bona fide refunds to customers, (ii) sales allowances and discounts, (iii) sales taxes collected by Franchisee, and (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Adjusted Gross Sales).

"**Advertising and Promotional Content**" means all advertising, marketing, promotional, customer relationship management, public relations, and other brand-related programs, materials, and content relating to Complete Mobile Drug Testing or the Business, including without limitation any printed materials (such as business cards, signs, counter cards, banners, posters, displays, window clings, leaflets, direct mail materials, coupons, and published advertisements); promotional items (such as branded specialty and novelty items, products, and clothing); audio or video advertising (such as radio, television, or podcast ads or online video postings); and Digital Marketing.

"**Approved Vendor**" means a supplier, vendor, or distributor of Inputs which has been approved by CMDT Franchise.

"**Business**" means the Complete Mobile Drug Testing business owned by Franchisee and operated under this Agreement.

"**Competitor**" means any business which offers drug testing, DNA testing, or background checks.

"**Confidential Information**" means all non-public information of or about the System, CMDT Franchise, and any Complete Mobile Drug Testing business, including the Manual, all methods for developing and operating the Business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information, and know-how.

**"Data Security Event"** means any act, both actual or suspected, that initiates either internally or from outside the Business' computers, point-of-sale terminals, and other technology or networked environment and violates any laws or explicit or implied security policies, including attempts (either failed or successful) to gain unauthorized access (or to exceed authorized access) to the System, other Complete Mobile Drug Testing businesses, or their data or to view, copy, or use Privacy Information or Confidential Information without authorization or in excess of authorization; unwanted disruption or denial or service; unauthorized use of a system for processing or storage of data; and changes to system hardware, firmware, or software characteristics without CMDT Franchise's knowledge, instruction, or consent.

**"Digital Marketing"** means social media accounts (such as Facebook, X, Instagram, Pinterest, Snapchat, TikTok, etc.), applications, keyword or adword purchasing programs, accounts with websites featuring gift certificates or discounted coupons (such as Groupon, Living Social, etc.), mobile applications, online videos, display banner campaigns, branded content social media campaigns, e-mail marketing campaigns, or other means of digital advertising on the Internet or any other means of digital or electronic communications that are intended to promote Complete Mobile Drug Testing and/or the Business.

"**Input**" means any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Business.

"**Location**" means the location stated on the Summary Page. If no location is stated on the Summary Page, then the Location will be determined in accordance with Section 6.1.

"**Losses**" includes (but is not limited to) all losses; damages; fines; charges; expenses; lost profits; reasonable attorneys' fees; travel expenses, expert witness fees; court costs; settlement amounts; judgments; loss of CMDT Franchise's reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

"**Major Account**" means a local, regional, or national customer account designated by CMDT Franchise, which CMDT Franchise expects to be served by more than one Complete Mobile Drug Testing business.

"**Manual**" means CMDT Franchise's confidential Brand Standards Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

"**Marketing Fund**" means the fund established (or which may be established) by CMDT Franchise into which Marketing Fund Contributions are deposited.

"**Marks**" means the trade name and logo contained on the Summary Page, and all other trade names, trademarks, service marks and logos specified by CMDT Franchise from time to time for use in a Complete Mobile Drug Testing business.

"**Owner**" means each person or entity which directly or indirectly owns or controls any equity of Franchisee. If Franchisee is an individual person, then "Owner" means Franchisee.

"**Privacy Information**" means all information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Privacy Information includes but is not limited to, the following if it identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household: identifiers such as a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, social security number, driver's license or state identification card number, passport number, signature, physical characteristics or description, telephone number, insurance policy number, bank account number, credit card number, debit card number or any other financial information, medical information or health insurance information; characteristics of protected classifications under state or federal law; commercial information, including records of personal property, products or services purchased, obtained or considered, or other purchasing or consuming histories or tendencies; biometric information; Internet or other electronic network activity information including, but not limited to, browsing history, search history, and information regarding a consumer's interaction with an internet website, application, or advertisement; geolocation data; audio or electronic information; professional or employment-related information; education information that is not publicly available; personally identifiable information as defined in the Family Educational Rights and Privacy Act (20 USC § 1232g; 34 CFR Part 99); and inferences drawn from any of the information identified in this subsection to create a profile about a consumer reflecting the consumer's preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities and aptitudes. Privacy Information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

"**Protected Health Information**" means any individually identifiable health information, in any form, whether electronic, paper, or oral, that is created, received, maintained, or transmitted by a HIPAA (Health Insurance Portability and Accountability Act)-covered entity or its business associates.

"**Remodel**" means a refurbishment, renovation, and remodeling of the Location to conform to the building design, exterior facade, trade dress, signage, fixtures, furnishings, equipment, decor, color schemes, presentation of the Marks, and other System Standards in a manner consistent with the image then in effect for a new Complete Mobile Drug Testing business.

"**Required Vendor**" means a supplier, vendor, or distributor of Inputs which CMDT Franchise requires franchisees to use.

"**System Standards**" means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by CMDT Franchise, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, customer service, data protection and privacy, design (such as construction, decoration, layout, furniture, fixtures and signs), environmental protection and sustainability, equipment, inventory, maintenance, marketing and public relations, minimum numbers and types of personnel, operating days, operating hours, presentation of Marks, product and service offerings, quality of products and services (including any guaranty and warranty programs), refund and replacement policies, reporting, safety procedures, security systems, Technology, temporary operational changes due to special circumstances (such as a pandemic), uniforms, and vehicles.

"**Technology**" means point-of-sale systems, back-office systems, information management systems, customer-facing software, and other software; computers, computer peripheral equipment, cash registers, smartphones, tablets, and similar equipment; communications systems (including email, audio, and video systems); backup and archiving systems; payment acceptance systems (including credit and debit card systems, check verification services, and other payment systems, as well as any compliance programs relating to those systems), and internet access, as well as upgrades, supplements, and modifications to any Technology.

"**Territory**" means the territory stated on the Summary Page.

"**Transfer**" means for Franchisee (or any Owner) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the Business, (ii) this Agreement, (iii) any direct or indirect ownership interest in the Business, or (iv) control of the Business.

## ARTICLE 2. GRANT OF LICENSE

**2.1 Grant.** CMDT Franchise grants to Franchisee the right to operate a Complete Mobile Drug Testing business solely in the Territory. Franchisee shall develop, open and operate a Complete Mobile Drug Testing business in the Territory for the entire term of this Agreement. Franchisee shall exert its best efforts to promote and enhance the Business. If no Location is stated on the Summary Page when this Agreement is signed, then the parties will determine the Location in accordance with Section 6.1. The Location shall be within the Territory. Franchisee shall exert its best efforts to promote and enhance the Business.

**2.2 Protected Territory.**

(a) Limitation. Franchisee shall not solicit or market to potential customers outside of the Territory, except for solicitations or marketing which are primarily targeted inside the Territory and which incidentally reach potential customers outside of the Territory.

(b) Service. Franchisee shall not serve customers outside of the Territory without CMDT Franchise's prior written permission. CMDT Franchise may withdraw permission at any time. If Franchisee serves a customer outside of the Territory without CMDT Franchise's prior written permission, CMDT Franchise may impose a fee equal to the greater of (i) $500 or (ii) 75% of the amount paid by such customer to Franchisee. This fee is a reasonable estimate of CMDT Franchise's internal cost of personnel time attributable to addressing Franchisee's breach of this

Section, and it is not a penalty or estimate of all damages arising from Franchisee's breach. This fee is in addition to all of CMDT Franchise's other rights and remedies.

(c) Exclusivity. CMDT Franchise shall not establish, nor license the establishment of, another business within the Territory or which serves customers located in the Territory selling the same or similar goods or services under the same or similar trademarks or service marks as a Complete Mobile Drug Testing business. However, CMDT Franchise and its affiliates retain the right to do the following (without any compensation to Franchisee):

(i) serve (or authorize other franchisees to serve) customers in the Territory if Franchisee is in default, or if Franchisee is incapable of meeting customer demand in the Territory (in CMDT Franchise's reasonable opinion);

(ii) serve (or authorize other franchisees to serve) a particular customer in the Territory if Franchisee fails to properly serve such customer, or if CMDT Franchise reasonably believes that Franchisee will not properly serve such customer;

(iii) establish and license others to establish and operate Complete Mobile Drug Testing businesses outside the Territory;

(iv) operate and license others to operate businesses anywhere, including within the Territory, that sell the same or similar goods or services as a Complete Mobile Drug Testing business under trademarks or service marks that are not the same as or similar to the Marks; and

(v) sell and license others to sell any products and services to customers in the Territory under any trademarks or service marks (including the Marks), through channels of distribution (including the internet) so long as such products and services are not provided through a Complete Mobile Drug Testing outlet in the Territory, and are different from the products and services provided by Franchisee.

(vi) acquire or be acquired by (under any form of business transaction) a Competitor that has (or may in the future have) outlets in the Territory which compete with the Business under trademarks or service marks other than the Marks;

(vii) serve Major Accounts in the Territory, if Franchisee declines to do so; and

(viii) engage in any action not specifically precluded by the express terms of this Agreement

**2.3 Franchisee Control.** Franchisee represents that Attachment 1 (i) identifies each owner, officer, and director of Franchisee, and (ii) describes the nature and extent of each owner's interest in Franchisee. If any information on Attachment 1 changes (which is not a Transfer), Franchisee shall notify CMDT Franchise within 10 days.

**2.4 Principal Executive.** Franchisee agrees that the person designated as the "Principal Executive" on the Summary Page is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. CMDT Franchise is entitled to rely on any

communication, decision, or act by the Principal Executive as being the communication, decision, or act of Franchisee. The Principal Executive must have at least 30% ownership interest in Franchisee. The Principal Executive does not have to serve as a day-to-day general manager of the Business, but the Principal Executive must devote substantial time and attention to the Business. If the Principal Executive dies, becomes incapacitated, transfers his/her interest in Franchisee, or otherwise ceases to be the executive primarily responsible for the Business, Franchisee shall promptly designate a new Principal Executive, subject to CMDT Franchise's reasonable approval.

**2.5 Guaranty.** If Franchisee is an entity, then Franchisee shall have each Owner sign a personal guaranty of Franchisee's obligations to CMDT Franchise, in the form of Attachment 3.

**2.6 No Conflict.** Franchisee represents to CMDT Franchise that Franchisee and each of its Owners (i) are not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) are not a direct or indirect owner of any Competitor, and (iii) are not listed or "blocked" in connection with, and are not in violation under, any anti-terrorism law, regulation, or executive order.

## ARTICLE 3. TERM

**3.1 Term.** This Agreement commences on the Effective Date and continues for ten years.

**3.2 Successor Agreement.** When the term of this Agreement expires, Franchisee may enter into a successor agreement for the Location for up to two additional periods of five years each, subject to the following conditions prior to each expiration:

(i) Franchisee notifies CMDT Franchise of the election to renew between 90 and 180 days prior to the end of the term;

(ii) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with CMDT Franchise (or any of its affiliates) at the time of election and at the time of renewal;

(iii) Franchisee (and its affiliates) have been in substantial compliance with this Agreement and all other agreements with CMDT Franchise (or any of its affiliates) throughout the term of this Agreement and any other such agreement(s);

(iv) Franchisee did not (A) receive written notice of default under this Agreement from CMDT Franchise more than twice during the term, or (B) failed to cure a written notice of default under this Agreement within the cure period (if any) provided in this Agreement;

(v) Franchisee and its Owners complied with Section 7.24 of this Agreement at all times during the term;

(vi) Franchisee has made or agrees to make (within a period of time acceptable to CMDT Franchise) renovations and changes to the Business as CMDT Franchise requires to conform to the then-current System Standards; such renovations and changes may include, without limitation, a Remodel, making changes to the façade,

installing furnishings or fixtures, changing signage, and making upgrades to any technological features required by the System Standards;

(vii) Franchisee and its Owners execute CMDT Franchise's then-current standard form of franchise agreement and related documents (including personal guaranty), which may be materially different than this form (including, without limitation, higher and/or different fees), except that the form of the franchise agreement will be amended to provide that Franchisee will not pay another initial franchise fee and to provide that Franchisee will not receive more renewal or successor terms than originally granted to Franchisee;

(viii) Franchisee pays a renewal fee of $5,000; and

(ix) Franchisee and each Owner executes a general release (on CMDT Franchise's then-standard form) of any and all claims against CMDT Franchise, its affiliates, and their respective owners, officers, directors, agents and employees.

## ARTICLE 4. FEES

**4.1 Initial Franchise Fee.** Upon signing this Agreement, Franchisee shall pay an initial franchise fee in the amount stated on the Summary Page. This initial franchise fee is not refundable under any circumstances.

**4.2 Royalty Fee; Minimum Performance.**

(a) Royalty Fee. Franchisee shall pay CMDT Franchise a monthly royalty fee (the "Royalty Fee") equal to 10% of Adjusted Gross Sales, provided that Franchisee shall pay an aggregate annual Royalty Fee of at least the amount set forth below (the "Minimum Royalty Fee"). Franchisee shall pay the Royalty Fee for any given month so that it is received by CMDT Franchise on or before the 5th day of the following month. If the total Royalty Fees paid by Franchisee in a given year of operation are less than the Minimum Royalty Fee, then Franchisee shall make up the shortfall within 30 days of the end of the year.

(b) Minimum Sales. Each year of operation, Franchisee must meet or exceed the annual minimum Adjusted Gross Sales (the "Minimum Sales Amount") set forth below:

| Minimum Performance Requirements | | | | | | |
|---|---|---|---|---|---|---|
| | Year 1 | | Year 2 | | Year 3 and thereafter | |
| Total Territories | Minimum Annual Sales | Minimum Annual Royalty | Minimum Annual Sales | Minimum Annual Royalty | Minimum Annual Sales | Minimum Annual Royalty |
| 1 | $25,000 | $2,500 | $25,000 | $2,500 | $25,000 | $2,500 |
| 2 | $25,000 | $2,500 | $50,000 | $5,000 | $50,000 | $5,000 |
| 3 | $25,000 | $2,500 | $50,000 | $5,000 | $75,000 | $7,500 |
| 4 | $25,000 | $2,500 | $50,000 | $5,000 | $100,000 | $10,000 |
| 5 | $25,000 | $2,500 | $50,000 | $5,000 | $125,000 | $12,500 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 6 | $25,000 | $2,500 | $50,000 | $5,000 | $150,000 | $15,000 |

"Year 1" starts with the first day of the calendar month immediately after Franchisee commences operations.

If Franchisee exceeds the Minimum Sales Amount in any year, the excess will not be credited towards the Minimum Sales Amount in any subsequent year.

If Franchisee fails to meet the Minimum Sales Amount in any year, CMDT Franchise may exercise any one or more of the following remedies: (i) change the Territory (including eliminating any portion of the Territory), (ii) eliminate Franchisee's exclusive rights in the Territory described in Section 2.2(c), or (iii) declare Franchisee in default of this Agreement and exercise all remedies available to CMDT Franchise for Franchisee's default, including termination without the opportunity to cure.

**4.3 Marketing Fund Contribution.** CMDT Franchise has not yet started a Marketing Fund. CMDT Franchise reserves the right to establish a Marketing Fund and to require Franchisee to pay CMDT Franchise a contribution to the Marketing Fund (the "Marketing Fund Contribution") equal to up to 2% of Franchisee's Adjusted Gross Sales (or such lesser amount as CMDT Franchise determines), at the same time as the Royalty Fee.

**4.4 Technology Fee.** CMDT Franchise reserves the right to charge Franchisee a commercially-reasonable fee (the "Technology Fee") in exchange for software and other technology-related services and products provided by or through CMDT Franchise. The Technology Fee does not have to be a pass-through of CMDT Franchise's exact costs. CMDT Franchise has no liability or obligation to Franchisee with respect any third-party software or other technology-related services and products that CMDT Franchise provides to Franchisee. The Technology Fee for a given period is due and payable at the same time as the Royalty Fee, unless CMDT Franchise determines otherwise. CMDT Franchise may add, remove, or alter the software or technology products or services that it provides. CMDT Franchise may change Technology Fee after at least 30 days' notice, up to a maximum of $350 per month. The Technology Fee is currently $250 per month.

**4.5 Replacement Manager Training Fee.** If Franchisee sends a manager or other employee to CMDT's manager's training program after opening, CMDT Franchise may charge its then-current training fee. As of the date of this Agreement, the training fee is $250 per person per day. The training fee will not exceed $500 per person per day.

**4.6 Non-Compliance Fee.** CMDT Franchise may charge Franchisee $500 for each instance of non-compliance with the System Standards or this Agreement (other than Franchisee's non-payment of a fee owed to CMDT Franchise) which Franchisee fails to cure after 30 days' notice. Thereafter, CMDT Franchise may charge Franchisee $250 per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of CMDT Franchise's internal cost of personnel time attributable to addressing the non-compliance, and it is not a penalty or estimate of all damages arising from Franchisee's breach. The non-compliance fee is in addition to all of CMDT Franchise's other rights and remedies (including default and termination under Section 14.2).

**4.7 Reimbursement.** CMDT Franchise may (but is never obligated to) pay on Franchisee's behalf any amount that Franchisee owes to a supplier or other third party. If CMDT Franchise does so or intends to do so, Franchisee shall pay such amount plus a 10% administrative charge to CMDT Franchise within 15 days after invoice by CMDT Franchise accompanied by reasonable documentation.

**4.8 Payment Terms.**

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Marketing Fund Contribution, Technology Fee, and any other amounts owed to CMDT Franchise by pre-authorized bank draft or in such other manner as CMDT Franchise may require. Franchisee shall comply with CMDT Franchise's payment instructions, including executing all documents reasonably required by CMDT Franchise. If CMDT Franchise permits Franchisee to pay by credit card or other method which causes CMDT Franchise to incur a processing fee, Franchisee shall be responsible for the amount of the processing fee.

(b) Calculation of Fees. Franchisee shall report monthly Adjusted Gross Sales to CMDT Franchise by the 5th day of the following month. If Franchisee fails to report monthly Adjusted Gross Sales, then CMDT Franchise may withdraw estimated Royalty Fees and Marketing Fund Contributions equal to 125% of the last Adjusted Gross Sales reported to CMDT Franchise, and the parties will true-up the actual fees after Franchisee reports Adjusted Gross Sales. Franchisee acknowledges that CMDT Franchise has the right to remotely access Franchisee's point-of-sale system to calculate Adjusted Gross Sales.

(c) Late Fees and Interest. If Franchisee does not make a payment on time, Franchisee shall pay a $100 "late fee" plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law).

(d) Insufficient Funds. CMDT Franchise may charge $30 for any payment returned for insufficient funds (or, if such amount exceeds the maximum allowed by law, then the fee allowed by law).

(e) Costs of Collection and Enforcement. Franchisee shall repay any costs incurred by CMDT Franchise in attempting to collect payments owed by Franchisee or to enforce any other provision of this Agreement (including, without limitation, reasonable attorney fees).

(f) Application. CMDT Franchise may apply any payment received from Franchisee to any obligation and in any order as CMDT Franchise may determine, regardless of any designation by Franchisee.

(g) Obligations Independent; No Set-Off. The obligations of Franchisee to pay to CMDT Franchise any fees or amounts described in this Agreement are not dependent on CMDT Franchise's performance and are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

(h) Taxes. Franchisee will be responsible for (and shall immediately remit to CMDT Franchise upon demand) all sales taxes, use taxes, and other taxes imposed on the fees payable by

Franchisee to CMDT Franchise or its affiliates and on services or goods furnished to Franchisee by CMDT Franchise or its affiliates, unless the tax is an income tax assessed on CMDT Franchise or its affiliate for doing business in the state where the Business is located.

## ARTICLE 5. ASSISTANCE

**5.1 Manual.** CMDT Franchise shall make its Manual available to Franchisee in such format as CMDT Franchise deems appropriate.

**5.2 Pre-Opening Assistance.**

(a) Pre-Opening Specifications and Vendors. To the extent applicable, CMDT Franchise shall provide its specifications and list of Approved Vendors and/or Required Vendors for equipment, signs, fixtures, opening inventory, and supplies to open the Business.

(b) Business Plan Review. If requested by Franchisee, CMDT Franchise shall review and advise on Franchisee's pre-opening business plan and financial projections. **Franchisee acknowledges that CMDT Franchise accepts no responsibility for the performance of the Business.**

(c) Pre-Opening Training. CMDT Franchise shall make available its standard pre-opening training to the Principal Executive and up to two other employees, at CMDT Franchise's headquarters and/or at a Complete Mobile Drug Testing business designated by CMDT Franchise. CMDT Franchise shall not charge any fee for this training. Franchisee is responsible for its own travel, lodging, meal, and other out-of-pocket expenses. CMDT Franchise reserves the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the program.

(d) Market Introduction Plan. CMDT Franchise shall advise Franchisee regarding the planning and execution of Franchisee's market introduction plan.

(e) Optional In-Office Location. If Franchisee elects to operate an in-office location, CMDT Franchise shall provide its criteria for Complete Mobile Drug Testing locations to Franchisee. CMDT Franchise will review and advise Franchisee regarding potential locations submitted by Franchisee, and may to the extent CMDT Franchise deems appropriate, advise Franchisee regarding the layout, design, and build-out of the in-office location..

**5.3 Post-Opening Assistance.**

(a) Advice, Consulting, and Support. If Franchisee requests, CMDT Franchise shall provide advice to Franchisee (by telephone or electronic communication) regarding improving and developing Franchisee's business, and resolving operating problems Franchisee encounters, to the extent CMDT Franchise deems reasonable. If CMDT Franchise provides in-person support in response to Franchisee's request, CMDT Franchise may charge its then-current fee, not to exceed $1,000 per day, plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).

(b) Pricing. Upon request, CMDT Franchise shall provide recommended prices for products and services offered by franchisees of the System.

(c) Procedures. To the extent CMDT Franchise determines in its sole discretion, CMDT Franchise shall provide Franchisee with CMDT Franchise's recommended administrative, bookkeeping, accounting, and inventory control procedures. CMDT Franchise may make any such procedures part of required (and not merely recommended) System Standards.

(d) Marketing. CMDT Franchise shall manage the Marketing Fund.

(e) Internet. CMDT Franchise shall maintain a website for Complete Mobile Drug Testing, which will include the applicable business information for the Location.

## ARTICLE 6. LOCATION, DEVELOPMENT, AND OPENING

**6.1 Determining Location and Territory.** If the Location is not stated on the Summary Page, then Franchisee shall identify a potential Location within the Territory described on the Summary Page. Franchisee shall submit its proposed Location to CMDT Franchise for acceptance, with all related information and documents CMDT Franchise may request. If CMDT Franchise does not accept the proposed Location in writing within 30 days, then it is deemed rejected. When CMDT Franchise accepts the Location, it will issue a Location Acceptance Letter in the form of Attachment 2 which states the Location. **CMDT Franchise's advice regarding or acceptance of a proposed Location is not a representation or warranty that the Business will be successful or that the Business is permitted to be operated at the Location under applicable laws or zoning ordinances, and CMDT Franchise has no liability to Franchisee with respect to the location of the Business.**

**6.2 Lease.** In connection with any lease between Franchisee and the landlord of the Location: (i) if requested by CMDT Franchise, Franchisee must submit the proposed lease to CMDT Franchise for written approval, (ii) the term of the lease (including renewal terms) must be for a period of not less than the term of this Agreement, and (iii) Franchisee shall use commercially reasonable efforts to obtain the landlord's signature to a rider to the lease in the form required by CMDT Franchise. This requirement does not apply if the landlord is an affiliate of Franchisee.

**6.3 Development.** If Franchisee elects to operate an in-office location Franchisee shall construct (or remodel) and finish the Location in conformity with CMDT Franchise's System Standards. If required by CMDT Franchise, Franchisee shall engage the services of an architect licensed in the jurisdiction of the Location. Franchisee shall not begin any construction or remodeling work without first obtaining CMDT Franchise's approval of Franchisee's plans and without first obtaining any required permits or licenses necessary to commence such construction or remodeling work. Franchisee must engage a qualified licensed general contractor to perform such construction or remodeling work. CMDT Franchise may, but is not required to, inspect Franchisee's construction or remodeling progress at any reasonable time. Franchisee shall not rely upon any information provided or opinions expressed by CMDT Franchise or its representatives regarding any architectural, engineering, or legal matters (including without limitation the Americans With Disabilities Act) in the development and construction of the Business, and CMDT Franchise assumes no liability with respect thereto. CMDT Franchise's inspection and/or approval

to open the Business is not a representation or a warranty that the Business has been constructed in accordance with any architectural, engineering, or legal standards.

**6.4 New Franchisee Training.** Franchisee's Principal Executive must complete CMDT Franchise's training program for new franchisees to CMDT Franchise's satisfaction at least four weeks before opening the Business.

**6.5 Conditions to Opening.** Franchisee shall notify CMDT Franchise at least 30 days before Franchisee intends to open the Business to the public. Before opening, Franchisee must satisfy all of the following conditions: (1) Franchisee is in compliance with this Agreement, (2) Franchisee has obtained all applicable governmental permits and authorizations, (3) the Business conforms to all applicable System Standards, (4) CMDT Franchise has inspected and approved the Business, (5) Franchisee has hired sufficient employees, (6) Franchisee's officers and employees have completed all of CMDT Franchise's required pre-opening training; and (7) CMDT Franchise has given its written approval to open, which will not be unreasonably withheld.

**6.6 Opening Date.** Franchisee shall open the Business to the public on or before the date stated on the Summary Page. If the parties mutually agree in writing to extend the opening deadline for the Business for a period of up to six months, Franchisee must pay CMDT a $5,000 development schedule extension fee. CMDT has the sole discretion over whether or not to grant an extension of the opening deadline. This fee is due when the parties agree in writing to the extension.

**6.7 Relocation.** Franchisee shall not relocate the Business to new premises without the prior written approval of CMDT Franchise. If Franchisee requests approval of a relocation, Franchisee must pay $2,500 upon submitting the request. If CMDT Franchise approves the relocation, Franchisee must (i) comply with the conditions set for in Sections 6.1, 6.2, and 6.6 with respect to the new location, and (ii) satisfy any other conditions required by CMDT Franchise.

**6.8 Damage to the Location.** If the Location is damaged or destroyed by fire or any other casualty, Franchisee must, as soon as practicable but in no event later than one month following such casualty, initiate repairs of or the process for reconstruction of the Location, and Franchisee shall in good faith and with due diligence continue until such repairs or reconstruction are completed. Any repairs or reconstruction shall otherwise comply with the System Standards (including the then-current design and décor) and the requirements of this Agreement.

## ARTICLE 7. OPERATIONS

**7.1 Compliance with Manual and System Standards**. Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all other System Standards, as they are now or hereafter established. Franchisee acknowledges and agrees that the products and services offered under the Marks have a reputation for excellence and that Franchisee's compliance with all System Standards is of the utmost importance to CMDT Franchise.

**7.2 Compliance with Law.** Franchisee and the Business shall comply with all laws, rules, ordinances, and regulations applicable to Franchisee or to the Business. Franchisee and the Business shall obtain and keep in force all governmental permits and licenses necessary for the

Business. Franchisee is solely responsible for all such compliance, notwithstanding any information provided by CMDT Franchise.

**7.3 Products, Services, and Methods of Sale.** Franchisee shall offer all products and services, and only those products and services, from time to time prescribed by CMDT Franchise in the Manual or otherwise in writing. Unless otherwise approved or required by CMDT Franchise, Franchisee shall not make sales by any other means, including without limitation by wholesale, by delivery, by mail order or over the internet, or at temporary or satellite locations. Franchisee shall maintain sufficient levels of inventory at all times. CMDT may set specific required minimum levels of inventory. Franchisee shall provide all products and perform all services in a high-quality manner that meets or exceeds the customer's reasonable expectations and all applicable System Standards. Franchisee shall implement any guaranties, warranties, or similar commitments regarding products and/or services that CMDT Franchise may require.

**7.4 Prices.** Notwithstanding any provision of this Agreement or the Manual to the contrary, Franchisee retains the sole discretion to determine the prices it charges for products and services, except for Major Accounts where CMDT Franchise has agreed upon pricing with the Major Account. If CMDT Franchise designates a customer or business as a Major Account, then CMDT Franchise may set mandatory policies for serving such Major Account, including, without limitation, policies regarding prices and products, referral fees, qualifications to serve the accounts, and customer relationship management.

**7.5 Protected Health Information.** Franchisee, is solely responsible for maintaining Protected Health Information. Franchisee, shall comply with all applicable laws and regulations governing the release and disclosure of Protected Health Information. Notwithstanding any provision of this Agreement to the contrary, Franchisee, shall not share any Protected Health Information with CMDT Franchise if such action would violate any applicable law or regulation.

**7.6 Personnel.**

(a) Management. The Business must at all times be under the on-site supervision of the Principal Executive or a general manager who has completed CMDT Franchise's manager training program.

(b) Service. Franchisee shall cause its personnel to render competent and courteous service to all customers and members of the public.

(c) Appearance. Franchisee shall cause its personnel to comply with any dress attire, uniform, personal appearance, and hygiene standards set forth in the Manual.

(d) Qualifications. CMDT Franchise may set minimum qualifications for categories of employees employed by Franchisee.

(e) Staffing. Franchisee must hire or engage a sufficient number of personnel to service its volume of business, and Franchisee must comply with any System Standards regarding staffing levels.

(f) Sole Responsibility. Franchisee is solely responsible for all hiring decisions and all terms and conditions of employment of all of its personnel, including recruiting, hiring, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and CMDT Franchise are not joint employers, and no employee of Franchisee will be an agent or employee of CMDT Franchise. Within seven days of CMDT Franchise's request, Franchisee and each of its employees shall sign an acknowledgment form stating that Franchisee alone (and not CMDT Franchise) is the employee's sole employer. Franchisee shall use its legal name on all documents with its employees and independent contractors, including, but not limited to, employment applications, timecards, pay checks, and employment and independent contractor agreements, and Franchisee shall not use the Marks on any of these documents.

**7.7 Post-Opening Training.** CMDT Franchise may at any time require that the Principal Executive and/or any other employees complete training programs, in any format and in any location determined by CMDT Franchise. CMDT Franchise may charge a reasonable fee (not to exceed $200 for any training programs. CMDT Franchise may require Franchisee to provide training programs to its employees. If a training program is held at a location which requires travel by the Principal Executive or any other employee, then Franchisee shall pay all travel, living and other expenses.

**7.8 Technology.** Without limiting the generality of Section 7.1 or Section 8.1, Franchisee shall acquire and use all Technology required by CMDT Franchise. CMDT Franchise has the right to prohibit Franchisee from using any Technology which is not approved or required by CMDT Franchise. Franchisee shall enter into any subscription and support agreements related to the Technology that CMDT Franchise may require. Franchisee shall upgrade, update, or replace any Technology from time to time as CMDT Franchise may require. Franchisee shall protect the confidentiality and security of all Technology, and Franchisee shall abide by any System Standards related thereto. Franchisee shall give CMDT Franchise unlimited access to Franchisee's Technology used in the Business, by any means designated by CMDT Franchise. Despite Franchisee's obligation to acquire and use Technology according to System Standards, Franchisee has sole and complete responsibility for: (a) acquiring, operating, maintaining, and upgrading Franchisee's Technology; (b) the manner in which Franchisee's Technology interfaces with CMDT Franchise's and any third party's computer system; (c) any and all consequences if Franchisee's Technology is not properly operated, maintained, and upgraded; (d) complying at all times with the most current version of the Payment Card Industry Data Security Standards, and (e) complying at all times with all laws governing the use, disclosure, and protection of Privacy Information.

**7.9 Customer Complaints.** Franchisee shall use its best efforts to promptly resolve any customer complaints. CMDT Franchise may take any action it deems appropriate to resolve a customer complaint regarding the Business, and CMDT Franchise may require Franchisee to reimburse CMDT Franchise for any expenses.

**7.10 Evaluation and Compliance Programs.** Franchisee shall participate at its own expense in programs required from time to time by CMDT Franchise for obtaining customer evaluations, reviewing Franchisee's compliance with the System, and/or managing customer complaints, which may include (but are not limited to) a customer feedback system, customer survey programs, and

mystery shopping. CMDT Franchise shall share with Franchisee the results of these programs, as they pertain to the Business. Franchisee must meet or exceed any minimum score requirements set by CMDT Franchise for such programs. CMDT Franchise may set minimum scores that Franchisee must receive from the public on internet review sites (such as Yelp or Google).

**7.11 Payment Systems.** Franchisee shall accept payment from customers in any form or manner designated by CMDT Franchise (which may include, for example, cash, specific credit and/or debit cards, gift cards, electronic fund transfer systems, and mobile payment systems). Franchisee shall purchase or lease all equipment and enter into all business relationships necessary to accept payments as required by CMDT Franchise.

**7.12 Maintenance, Repair, and Alterations.** If the Location will be open to the public or used for meeting customers or potential customers, then Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all property of the Business in good repair. Franchisee acknowledges that the System Standards may include requirements for cleaning, maintenance, replacement, and repair.

**7.13 Remodeling.** In addition to Franchisee's obligations to comply with all System Standards in effect from time to time, if Franchisee has also elected to operate an in-office Location, CMDT Franchise may require Franchisee to undertake and complete a Remodel of the Location to CMDT Franchise's satisfaction. Franchisee must complete the Remodel in the time frame specified by CMDT Franchise. CMDT Franchise may require Franchisee to submit plans for CMDT Franchise's reasonable approval prior to commencing a required Remodel, and CMDT Franchise may require Franchisee to engage a qualified licensed contractor to perform the Remodel. CMDT Franchise's right to require a Remodel is limited as follows: (i) the Remodel will not be required in the first two or last two years of the term (except that a Remodel may be required as a condition to renewal of the term or a Transfer), and (ii) a Remodel will not be required more than once every five years from the date on which Franchisee was required to complete the prior Remodel.

**7.14 Vehicles.** If Franchisee uses one or more vehicles for the Business, Franchisee shall ensure that all vehicles comply with all applicable System Standards, including without limitation required equipment and exterior décor. Franchisee shall keep all vehicles in excellent or better condition, clean, and free of dents and other damage, and shall ensure that the vehicles present a first-class image appropriate to CMDT Franchise's System. Franchisee shall use the vehicle solely for the Business. Any person driving a vehicle on behalf of the Business must be appropriately licensed and meet any applicable System Standards. Franchisee shall require personnel to use their personal vehicles for all Business purposes.

**7.15 Meetings.** The Principal Executive shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls) that CMDT Franchise requires, including any national or regional brand conventions or conferences. Franchisee shall not permit the Principal Executive to fail to attend more than three consecutive required meetings. CMDT Franchise may charge Franchisee the attendance fee for Complete Mobile Drug Testing's national or regional brand convention, regardless of whether the Principal Executive attends. The attendance fee will not exceed $1,500 per attendee. Franchisee is responsible for all travel and living expenses of attending any such meeting or convention.

**7.16 Insurance.**

(a) Franchisee shall obtain and maintain insurance policies in the types and amounts as specified by CMDT Franchise in the Manual. If not specified in the Manual, Franchisee shall maintain at least the following insurance coverage:

(i) "Special" causes of loss coverage forms, including fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business, for full repair and replacement value (subject to a reasonable deductible);

(ii) Business interruption insurance covering at least 12 months of income;

(iii) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage, written on an "occurrence" policy form in an amount of not less than $1,000,000 single limit per occurrence and $2,000,000 aggregate limit;

(iv) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than $1,000,000;

(v) Professional Liability Insurance in an amount of not less than $1,000,000 single limit per occurrence and $6,000,000 aggregate limit, and

(vi) Workers Compensation coverage as required by state law.

(b) Franchisee's policies (other than Workers Compensation) must (1) list CMDT Franchise and its affiliates as an additional insured, (2) include a waiver of subrogation in favor of CMDT Franchise and its affiliates, (3) be primary and non-contributing with any insurance carried by CMDT Franchise or its affiliates, and (4) stipulate that CMDT Franchise shall receive 30 days' prior written notice of cancellation.

(c) Franchisee shall provide Certificates of Insurance evidencing the required coverage to CMDT Franchise prior to opening and upon annual renewal of the insurance coverage, as well as at any time within 15 days after request from CMDT Franchise.

(d) CMDT may set insurance requirements for contractors engaged by Franchisee, and Franchisee shall cause its contractors to meet or exceed such requirements.

**7.17 Obligations to Third Parties.** Franchisee shall pay all vendors and suppliers in a timely manner. Franchisee shall pay all taxes when due. If Franchisee borrows money, it shall comply with the terms of its loan and make all loan payments when due. If Franchisee has elected to operate at an in-office Location, Franchisee shall comply with its lease for the Location and make all rent payments when due.

**7.18 Public Relations.** Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding Complete Mobile Drug Testing, the Business, or any particular incident or occurrence related to the Business, without CMDT Franchise's prior written approval, which will not be unreasonably withheld.

**7.19 Association with Causes.** Franchisee shall not in the name of the Business (i) donate money, products, or services to any charitable, political, religious, or other organization or cause, or (ii) act in support of any such organization or cause, without CMDT Franchise's prior written approval, which will not be unreasonably withheld.

**7.20 No Other Activity Associated with the Business.** Franchisee shall not engage in any business or other activity whether mobile or in an in-office Location other than operation of the Complete Mobile Drug Testing Business. Franchisee shall not use assets of the Business for any purpose other than the Business. If Franchisee is an entity, the entity shall not own or operate any other business except Complete Mobile Drug Testing businesses.

**7.21 No Third-Party Management.** Franchisee shall not engage a third-party management company to manage or operate the Business without the prior written approval of CMDT Franchise, which will not be unreasonably withheld.

**7.22 Identification.** Franchisee must identify itself as the independent owner of the Business in the manner prescribed by CMDT Franchise.

**7.23 Privacy Practices.**

(a) With respect to Privacy Information, Franchisee must comply with all of their obligations under applicable privacy laws, including any local, state, or federal data privacy or data security law or regulation, including, but not limited to, HIPAA.

(b) Franchisee shall not sell any Privacy Information. Franchisee further agrees to not access, use, or process the Privacy Information except in the furtherance of its obligations under this Agreement, but in all times, in compliance with applicable privacy laws.

(c) To the extent CMDT Franchise does not have the then-current ability to address requests made under any applicable privacy law by individuals that are the subject of any of the Privacy Information, Franchisee shall, upon CMDT Franchise's request, provide reasonable assistance to CMDT Franchise in responding to such requests.

(d) In the event of a Data Security Event, Franchisee must notify CMDT Franchise immediately after becoming aware of the Data Security Event and shall cooperate with CMDT Franchise and follow all of CMDT Franchise's reasonable requests to address the Data Security Event and to protect any Privacy Information and/or Confidential Information. CMDT Franchise, or its designee, has the right, but not the obligation, to take any action or pursue any proceeding with respect to the Data Security Event.

**7.24 Communication.** Franchisee shall respond promptly to requests for communication from CMDT Franchise, and in any event within three business days. Franchisee and each Owner shall be courteous and respectful to CMDT Franchise and its personnel and shall comply with any rules adopted by CMDT Franchise from time to time establishing procedures and requirements for communications between Franchisee's personnel and CMDT Franchise's personnel.

**7.25 Business Practices and Values.** Franchisee and each Owner shall comply with and uphold any code of ethics or statement of values adopted by CMDT Franchise. Franchisee and each Owner

shall be honest and fair in all interactions with customers, employees, vendors, governmental authorities, and other third parties. Neither Franchisee nor any Owner shall engage in or permit any employee to engage in any (i) violence or a threat of violence against any person or group of persons, (ii) sexual harassment of any person, (iii) discrimination against any person or group of persons on account of sex, race, color, religion, ancestry, national origin, sexual orientation, or disability, or any legally protected class in the jurisdiction where the Business is located, or (iv) any act which injures or is likely to injure the goodwill associated with the Marks, in CMDT Franchise's reasonable opinion.

## ARTICLE 8. SUPPLIERS AND VENDORS

**8.1 Generally.** Franchisee shall acquire all Inputs required by CMDT Franchise from time to time in accordance with System Standards. CMDT Franchise may require Franchisee to purchase or lease any Inputs from CMDT Franchise, CMDT Franchise's designee, Required Vendors, Approved Vendors, and/or under CMDT Franchise's specifications. CMDT Franchise may change any such requirement or change the status of any vendor. To make such requirement or change effective, CMDT Franchise shall issue the appropriate System Standards.

**8.2 Alternate Vendor Approval.** If CMDT Franchise requires Franchisee to purchase a particular Input only from an Approved Vendor or Required Vendor, and Franchisee desires to purchase the Input from another vendor, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by CMDT Franchise. CMDT Franchise may approve or disapprove the alternative vendor in its sole discretion. CMDT Franchise may condition its approval on such criteria as CMDT Franchise deems appropriate, which may include evaluations of the vendor's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. CMDT Franchise shall provide Franchisee with written notification of the approval or disapproval of any proposed new vendor within 30 days after receipt of Franchisee's request.

**8.3 Alternate Input Approval.** If CMDT Franchise requires Franchisee to purchase a particular Input, and Franchisee desires to purchase an alternate to the Input, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by CMDT Franchise. CMDT Franchise may approve or disapprove the alternative Input in its sole discretion. CMDT Franchise shall provide Franchisee with written notification of the approval or disapproval of any proposed alternate Input within 30 days after receipt of Franchisee's request.

**8.4 Purchasing.** CMDT Franchise may negotiate prices and terms with vendors on behalf of the System. CMDT Franchise may receive rebates, payments, or other consideration from vendors in connection with purchases by franchisees. CMDT Franchise has the right (but not the obligation) to collect payments from Franchisee on behalf of a vendor and remit the payments to the vendor and to impose a reasonable markup or charge for administering the payment program (not to exceed the greater of $500 or 10% of Franchisee's payment). CMDT Franchise may implement a centralized purchasing system. CMDT Franchise may establish a purchasing cooperative and require Franchisee to join and participate in the purchasing cooperative on such terms and conditions as CMDT Franchise may determine.

**8.5 No Liability of Franchisor.** CMDT Franchise and its affiliates shall not have any liability to Franchisee for any claim, loss, or other Action related to any product provided or service performed by any Approved Vendor or Required Vendor (unless CMDT Franchise or its affiliate, as applicable, is the vendor), including without limitation for defects, delays, unavailability, failure, or breach of contract related to such products or services.

**8.6 Product Recalls.** If CMDT Franchise or any vendor, supplier, or manufacturer of an item used or sold in Franchisee's Business issues a recall of such item or otherwise notifies Franchisee that such item is defective or dangerous, Franchisee shall immediately cease using or selling such item, and Franchisee shall at its own expense comply with all instructions from CMDT Franchise or the vendor, supplier, or manufacturer of such item with respect to such item, including without limitation the recall, repair, and/or replacement of such item.

## ARTICLE 9. MARKETING

**9.1 Advertising Standards.** Except as otherwise provided in the Manual, Franchisee may use only Advertising and Promotional Content that CMDT Franchise has furnished or approved in writing in advance. Franchisee must ensure that all Advertising and Promotional Content that Franchisee uses is clear, factual, ethical, and not misleading; complies with all laws; and conforms to System Standards. Except as otherwise provided in the Manual and Advertising and Promotional Content that CMDT Franchise furnishes to Franchisee, Franchisee must submit to CMDT Franchise for its written approval, at least 14 days before use, copies of all proposed Advertising and Promotional Content that Franchisee intends to use or implement. If CMDT Franchise does not respond, the material is deemed rejected. CMDT Franchise has the right to approve or disapprove any Advertising and Promotional Content, as well as the media in which Franchisee intends to use them, in its sole discretion. CMDT Franchise reserves the right to require Franchisee to discontinue the use of any Advertising and Promotional Content for any reason.

**9.2 Digital Marketing.** CMDT Franchise may (but is not obligated to) establish and operate all Digital Marketing and has the sole right to control all aspects of Digital Marketing, including those related to the Business. Without limiting the generality of Section 9.1, Franchisee shall not, directly or indirectly, conduct or be involved in any Digital Marketing without the prior written consent of CMDT Franchise. If CMDT Franchise permits Franchisee to conduct any Digital Marketing, Franchisee must (a) comply with any System Standards and must immediately modify or delete any Digital Marketing that CMDT Franchise determines, in its sole discretion, is not compliant with such System Standards; (b) only use materials that CMDT Franchise has approved and submit any proposed modifications to CMDT Franchise for approval; (c) not use any Mark (or words or designations similar to any Mark) in any domain name, electronic address, website, or other source identifier except as CMDT Franchise expressly permits; (d) include only the links that CMDT Franchise approves or requires; and (e) immediately take all actions necessary or that CMDT Franchise requests to provide CMDT Franchise with access to, or to transfer ownership of, all Digital Marketing relating to the Business to CMDT, including, without limitation, providing login and password details and promptly signing all directions and authorizations as CMDT Franchise deems necessary to effect the intent and provisions of this Section. If Franchisee uses any Mark (or words or designations similar to a Mark) in any domain name, electronic address, website, or other source identifier, CMDT Franchise may register such name, address, website, or identifier and then license use of the registered item back to Franchisee under a separate agreement.

Franchisee must pay all costs due for registration, maintenance, and renewal of any such names, addresses, websites, or identifiers that CMDT Franchise approves and maintains on Franchisee's behalf. CMDT Franchise may withdraw its approval for any Digital Marketing at any time.

**9.3 Implementation.** Franchisee shall implement any advertising or marketing materials, plans or campaigns (including Digital Marketing and lead generation programs) required by CMDT Franchise.

**9.4 Use by CMDT Franchise.** CMDT Franchise may use any Advertising and Promotional Content developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, perpetual, royalty-free license to CMDT Franchise for such purpose.

**9.5 Marketing Fund.** CMDT Franchise has established or may establish a Marketing Fund to promote the System on a local, regional, national, and/or international level. If CMDT Franchise has established a Marketing Fund:

(a) Account. CMDT Franchise is not required to hold the Marketing Fund Contributions in a bank account separate from CMDT Franchise's other accounts.

(b) Use. CMDT Franchise shall use the Marketing Fund only for marketing, advertising, and public relations materials, programs and campaigns (including at local, regional, national, and/or international level) for Complete Mobile Drug Testing, and related overhead. The foregoing includes such activities and expenses as CMDT Franchise reasonably determines, and may include, without limitation: development and placement of advertising and promotions; sponsorships; contests and sweepstakes; development of décor, trade dress, Marks, and/or branding; development and maintenance of brand websites; social media; internet activities; e-commerce programs; search engine optimization; market research; public relations, media or agency costs; trade shows and other events; printing and mailing; and administrative and overhead expenses related to the Marketing Fund (including the compensation of CMDT Franchise's employees working on marketing and for accounting, bookkeeping, reporting, legal, collections, and other expenses related to the Marketing Fund).

(c) Discretion. Franchisee agrees that expenditures from the Marketing Fund need not be proportionate to contributions made by Franchisee or provide any direct or indirect benefit to Franchisee. The Marketing Fund will be spent at CMDT Franchise's sole discretion, and CMDT Franchise has no fiduciary duty with regard to the Marketing Fund.

(d) Contribution by Other Outlets. CMDT Franchise is not obligated to (i) have all other Complete Mobile Drug Testing businesses (whether owned by other franchisees or by CMDT Franchise or its affiliates) contribute to the Marketing Fund, or (ii) have other Complete Mobile Drug Testing businesses that do contribute to the Marketing Fund contribute the same amount or at the same rate as Franchisee.

(e) Surplus or Deficit. CMDT Franchise may accumulate funds in the Marketing Fund and carry the balance over to subsequent years. If the Marketing Fund operates at a deficit or requires additional funds at any time, CMDT Franchise may loan such funds to the Marketing Fund on reasonable terms.

(f) Financial Statement. CMDT Franchise shall prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of CMDT Franchise's fiscal year and shall provide the financial statement to Franchisee upon written request.

**9.6 DBA.** CMDT has the right to determine the "doing business as" name to be used by Franchisee.

**9.7 Market Introduction Plan.** Franchisee must develop a market introduction plan and obtain CMDT Franchise's approval of the market introduction plan at least 30 days before the projected opening date of the Business.

## ARTICLE 10. RECORDS AND REPORTS

**10.1 Systems.** Franchisee shall use such customer data management, sales data management, administrative, bookkeeping, accounting, and inventory control procedures and systems as CMDT Franchise may specify in the Manual or otherwise in writing.

**10.2 Reports.**

(a) Financial Reports. Franchisee shall provide such periodic financial reports as CMDT Franchise may require in the Manual or otherwise in writing, including:

(i) a monthly profit and loss statement and balance sheet for the Business within 30 days after the end of each calendar month;

(ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within 90 days after the end of each calendar year; and

(iii) any information CMDT Franchise requests in order to prepare a financial performance representation for CMDT Franchise's franchise disclosure document, within 30 days after request.

(b) Legal Actions and Investigations. Franchisee shall promptly notify CMDT Franchise of any Action or threatened Action by any customer, governmental authority, or other third party against Franchisee or the Business, or otherwise involving Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as CMDT Franchise may request.

(c) Government Inspections. Franchisee shall give CMDT Franchise copies of all inspection reports, warnings, certificates, and ratings issued by any governmental entity with respect to the Business, within three days of Franchisee's receipt thereof.

(d) Other Information. Franchisee shall submit to CMDT Franchise such other financial statements, budgets, forecasts, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that CMDT Franchise may reasonably request (either upon specific request or on a regular basis as directed by CMDT Franchise, as applicable).

CMDT Franchise acknowledges that all personnel records of the Business belong to Franchisee and that this Agreement does not grant CMDT Franchise the right to access personnel records of Franchisee's employees.

**10.3 Initial Investment Report.** Within 120 days after opening for business, Franchisee shall submit to CMDT Franchise a report detailing Franchisee's investment costs to develop and open the Business, with costs allocated to the categories described in Item 7 of CMDT Franchise's Franchise Disclosure Document and with such other information as CMDT Franchise may reasonably request.

**10.4 Business Records.** Franchisee shall keep complete and accurate books and records reflecting all expenditures and receipts of the Business, with supporting documents (including, but not limited to, payroll records, payroll tax returns, register receipts, production reports, sales invoices, bank statements, deposit receipts, cancelled checks and paid invoices) for at least three years. Franchisee shall keep such other business records as CMDT Franchise may specify in the Manual or otherwise in writing.

**10.5 Records Audit.** CMDT Franchise may examine and audit all books and records related to the Business (other than personnel records of Franchisee's employees), and supporting documentation, at any reasonable time. CMDT Franchise may conduct the audit at the Location and/or require Franchisee to deliver copies of books, records and supporting documentation to a location designated by CMDT Franchise. Franchisee shall also reimburse CMDT Franchise for all costs and expenses of the examination or audit if (i) CMDT Franchise conducted the audit because Franchisee failed to submit required reports or was otherwise not in compliance with the System, or (ii) the audit reveals that Franchisee understated Adjusted Gross Sales by 3% or more for any month.

## ARTICLE 11. FRANCHISOR RIGHTS

**11.1 Manual; Modification.** The Manual, and any part of the Manual, may be in any form or media determined by CMDT Franchise. CMDT Franchise may supplement, revise, or modify the Manual, and CMDT Franchise may change, add or delete System Standards at any time in its discretion. CMDT Franchise may inform Franchisee thereof by any method that CMDT Franchise reasonably deems appropriate (which need not qualify as "notice" under Section 18.9). In the event of any dispute as to the contents of the Manual, CMDT Franchise's master copy will control.

**11.2 Inspections.** CMDT Franchise may enter the premises of the Business from time to time at any reasonable time (including during normal business hours) and conduct an inspection. Franchisee shall cooperate with CMDT Franchise's inspectors. CMDT Franchise will use reasonable efforts to not disrupt Franchisee's business operations during any such inspection. The inspection may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions, monitoring sales activity, speaking with employees and customers, and removing samples of products, supplies and materials. CMDT Franchise may videotape and/or take photographs of the inspection and the Business. CMDT Franchise may set a minimum score requirement for inspections, and Franchisee's failure to meet or exceed the minimum score will be a default under this Agreement. Without limiting CMDT Franchise's other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any

deficiencies noted during an inspection. If CMDT Franchise conducts an inspection because of a governmental report, customer complaint or other customer feedback, or a default or non-compliance with any System Standard by Franchisee (including following up a previous failed inspection), then CMDT Franchise may charge all out-of-pocket expenses plus its then-current inspection fee to Franchisee.

**11.3 CMDT Franchise's Right to Cure.** If Franchisee breaches or defaults under any provision of this Agreement, CMDT Franchise may (but has no obligation to) take any action to cure the default on behalf of Franchisee, without any liability to Franchisee, including entering the premises of the Business and curing the default without notice to Franchisee. Franchisee shall reimburse CMDT Franchise for its costs and expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee.

**11.4 Right to Discontinue Supplies Upon Default.** While Franchisee is in default or breach of this Agreement, CMDT Franchise may (i) require that Franchisee pay cash on delivery for products or services supplied by CMDT Franchise, (ii) stop selling or providing any products and services to Franchisee, (iii) suspend or limit CMDT Franchise's access to software systems, and/or (iv) request any third-party vendors to not sell or provide products or services to Franchisee. No such action by CMDT Franchise shall be a breach or constructive termination of this Agreement, change in competitive circumstances, or similarly characterized, and Franchisee shall not be relieved of any obligations under this Agreement because of any such action. Such rights of CMDT Franchise are in addition to any other right or remedy available to CMDT Franchise.

**11.5 Business Data.** All customer data collected or generated by the Business and all data collected or generated by the point-of-sale system (other than data regarding employees) is deemed to be Confidential Information and is exclusively owned by CMDT Franchise. CMDT Franchise hereby licenses such data back to Franchisee without charge solely for Franchisee's use in connection with the Business for the term of this Agreement.

**11.6 Innovations.** Franchisee shall disclose to CMDT Franchise all ideas, plans, improvements, concepts, methods, and techniques relating to the Business (collectively, "Innovations") conceived or developed by Franchisee or its employees, agents, or contractors. CMDT Franchise will automatically own all Innovations, and it will have the right to use and incorporate any Innovations into the System, without any compensation to Franchisee. Franchisee shall execute any documents reasonably requested by CMDT Franchise to document CMDT Franchise's ownership of Innovations.

**11.7 Communication Systems.** If CMDT Franchise provides email accounts and/or other communication systems to Franchisee, then Franchisee acknowledges that it has no expectation of privacy in the assigned email accounts and other communications systems, and Franchisee authorizes CMDT Franchise to access such communications.

**11.8 Communication with Employees.** Franchisee irrevocably authorizes CMDT Franchise to communicate with Franchisee's employees and contractors on any matter related to the System or the Business. Franchisee will not prohibit any employee or contractor from communicating with CMDT Franchise on any matter related to the System or the Business.

**11.9 Communications with Landlord and Lenders.** Franchisee irrevocably authorizes CMDT Franchise to communicate with Franchisee's landlord and lender(s), or prospective landlord and lender(s), about matters relating to the Business, and to provide information about the Business to them.

**11.10 Delegation.** CMDT Franchise may delegate any duty or obligation of CMDT Franchise under this Agreement to an affiliate or to a third party.

**11.11 System Variations.** CMDT Franchise may vary or waive any System Standard for any one or more Complete Mobile Drug Testing franchises due to the peculiarities of the particular site or circumstances, density of population, business potential, population of trade area, existing business practices, applicable laws or regulations, or any other condition relevant to the performance of a franchise or group of franchises. Franchisee is not entitled to the same variation or waiver.

**11.12 Franchisor's Discretion.** CMDT Franchise may engage in any activity not expressly prohibited by this Agreement. Whenever this Agreement provides that CMDT Franchise has a certain right, that right is absolute and the parties intend that CMDT Franchise's exercise of that right will not be subject to any limitation or review. CMDT Franchise has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement. Whenever CMDT Franchise agrees to exercise its rights reasonably or in good faith, CMDT Franchise will have satisfied its obligations whenever it exercises reasonable business judgment in making a decision or exercising its rights. CMDT Franchise's decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if CMDT Franchise's decision or action is intended, in whole or significant part, to promote or benefit the System or the Complete Mobile Drug Testing brand generally even if the decision or action also promotes CMDT Franchise's financial or other individual interest. Examples of items that will promote or benefit the System or the Complete Mobile Drug Testing brand include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System and Complete Mobile Drug Testing outlets.

**11.13 Temporary Management.** If (i) the Principal Executive dies or becomes incapacitated, (ii) this Agreement is terminated or expires and CMDT Franchise elects to purchase assets of the Business as provided in Section 14.6, or (iii) Franchisee is operating the Business in a manner which, in CMDT Franchise's reasonable opinion, constitutes a danger to the health or safety of any person, then CMDT Franchise may (but is not obligated to) enter the Location and operate and manage the Business for Franchisee's (or Franchisee's estate's) account until this Agreement is terminated, the Business is transferred, the Business is purchased by CMDT Franchise, or CMDT Franchise returns the Business to Franchisee. CMDT Franchise's operation and management will not continue for more than 90 days without Franchisee's consent (or the consent of the representatives of Franchisee's estate). If this Agreement has not terminated or expired, then CMDT Franchise will account to Franchisee for all net income from the Business during the period in which CMDT Franchise operates the Business. CMDT Franchise may collect a temporary management fee equal to 10% of Adjusted Gross Sales for the period in which CMDT Franchise operates the Business, plus all expenses (including internal costs of personnel and overhead)

incurred by CMDT Franchise, which is in addition to Royalty Fees, Marketing Fund Contributions, or other amounts owed under this Agreement. If CMDT Franchise or a third party assumes the Business's management, Franchisee acknowledges that CMDT Franchise or the third party will have a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Owners for any losses the Business incurs or obligations to creditors.

**11.14 Temporary Public Safety Closure.** If CMDT Franchise discovers or becomes aware of any aspect of the Business which, in CMDT Franchise's opinion, constitutes an imminent danger to the health or safety of any person, then immediately upon CMDT Franchise's order, Franchisee must temporarily cease operations of the Business and remedy the dangerous condition. CMDT Franchise shall have no liability to Franchisee or any other person for action or failure to act with respect to a dangerous condition.

## ARTICLE 12. MARKS

**12.1 Authorized Marks.** Franchisee shall use no trademarks, service marks or logos in connection with the Business other than the Marks. Franchisee shall use all Marks specified by CMDT Franchise, and only in the manner as CMDT Franchise may require. Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement. All use of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill arising due to Franchisee's operation of the Business, will inure to the exclusive benefit of CMDT Franchise.

**12.2 Change of Marks.** CMDT Franchise may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after CMDT Franchise makes any such change (not to exceed 90 days), Franchisee must comply with the change, at Franchisee's expense.

**12.3 Infringement.**

(a) Defense of Franchisee. If Franchisee has used the Marks in accordance with this Agreement, then (i) CMDT Franchise shall defend Franchisee (at CMDT Franchise's expense) against any Action by a third-party alleging infringement by Franchisee's use of a Mark, and (ii) CMDT Franchise shall indemnify Franchisee for expenses and damages if the Action is resolved unfavorably to Franchisee.

(b) Infringement by Third Party. Franchisee shall promptly notify CMDT Franchise if Franchisee becomes aware of any possible infringement of a Mark by a third party. CMDT Franchise may, in its sole discretion, commence or join any claim against the infringing party.

(c) Control. CMDT Franchise shall have the exclusive right to control any prosecution or defense of any Action related to possible infringement of or by the Marks.

**12.4 Name.** If Franchisee is an entity, it shall not use the word[s] "Complete Mobile Drug Testing" or any confusingly similar words in its legal name.

## ARTICLE 13. COVENANTS

**13.1 Confidential Information.** With respect to all Confidential Information, Franchisee shall (a) adhere to all procedures prescribed by CMDT Franchise for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business, (c) not use any such information in any other business or in any manner not specifically authorized in writing by CMDT Franchise, (d) exercise the highest degree of diligence and effort to maintain the confidentiality of all such information during and after the term of this Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Franchisee acknowledges that all Confidential Information is owned by CMDT Franchise (except for Confidential Information which CMDT Franchise licenses from another person or entity). This Section will survive the termination or expiration of this Agreement indefinitely. Nothing in this Section or elsewhere in this Agreement shall be deemed to limit or prohibit Franchisee from communicating about potential law violations with the Federal Trade Commission or other government agency acting within its statutory mandate.

**13.2 Covenants Not to Compete.**

(a) Restriction – In Term. During the term of this Agreement, neither Franchisee, any Owner, nor any spouse of an Owner (the "Restricted Parties") shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after this Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), no Restricted Party shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor within five miles of Franchisee's Territory or within five miles of the territory of any other Complete Mobile Drug Testing business operating on the date of expiration, termination, or transfer, as applicable. If this Agreement is terminated before the Territory is determined, then the area of non-competition will be the Site Selection Area and within five miles territory of any other Complete Mobile Drug Testing business operating on the date of termination. If a given Complete Mobile Drug Testing business does not have a defined territory, then for purposes of this Section its territory will be deemed to be a 3-mile radius.

(c) Interpretation. The parties agree that each of the foregoing covenants is independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any arbitrator or court, then the parties intend that the arbitrator or court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of CMDT Franchise. Franchisee agrees that the existence of any claim it may have against CMDT Franchise shall not constitute a defense to the enforcement by CMDT Franchise of the covenants of this Section. If a Restricted Party fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

**13.3 General Manager and Key Employees.** If requested by CMDT Franchise, Franchisee shall cause its general manager and other key employees reasonably designated by CMDT

Franchise to sign CMDT Franchise's then-current form of confidentiality and non-compete agreement (unless prohibited by applicable law).

## ARTICLE 14. DEFAULT AND TERMINATION

**14.1 Termination by Franchisee.** Franchisee may terminate this Agreement only if CMDT Franchise violates a material provision of this Agreement and fails to cure or to make substantial progress toward curing the violation within 30 days after receiving written notice from Franchisee detailing the alleged default. Termination by Franchisee is effective 10 days after CMDT Franchise receives written notice of termination.

**14.2 Termination by CMDT Franchise.**

(a) Subject to 10-Day Cure Period. CMDT Franchise may terminate this Agreement if Franchisee does not make any payment to CMDT Franchise when due, or if Franchisee does not have sufficient funds in its account when CMDT Franchise attempts an electronic funds withdrawal, and Franchisee fails to cure such non-payment within 10 days after CMDT Franchise gives notice to Franchisee of such breach.

(b) Subject to 30-Day Cure Period. If Franchisee breaches this Agreement in any manner not described in subsection (a) or (c), and Franchisee fails to cure such breach to CMDT Franchise's satisfaction within 30 days after CMDT Franchise gives notice to Franchisee of such breach, then CMDT Franchise may terminate this Agreement.

(c) Without Cure Period. CMDT Franchise may terminate this Agreement by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

(i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or breaches any representation in this Agreement;

(ii) Franchisee knowingly submits any false report or knowingly provides any other false information to CMDT Franchise;

(iii) a receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors, or Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for 30 days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within 45 days, or Franchisee is adjudicated as bankrupt;

(iv) Franchisee fails to open for business by the date specified on the Summary Page;

(v) Franchisee fails to meet or exceed the Minimum Sales Amount in any year of operation;

(vi) Franchisee or any Owner commits a material violation of Section 7.2 (compliance with laws) or Section 13.1 (confidentiality), violates Section 7.24 (business practices and values), Section 13.2 (non-compete) or Article 15 (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;

(vii) Franchisee ceases operation of the Business for more than five consecutive days, Franchisee informs CMDT Franchise that Franchisee is going to permanently close the Business prior to the end of the term of this Agreement, or CMDT Franchise reasonably concludes that Franchisee has ceased operation of the Business;

(viii) Franchisee or any Owner slanders or libels CMDT Franchise or any of its employees, directors, or officers;

(ix) Franchisee refuses to cooperate with or permit any audit or inspection by CMDT Franchise or its agents or contractors, or otherwise fails to comply with Section 10.5 or Section 11.2;

(x) the Business is operated in a manner which, in CMDT Franchise's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within 48 hours after becoming aware of the danger (due to notice from CMDT Franchise or otherwise);

(xi) Franchisee has received two or more notices of default (or a single notice of more than one default) and Franchisee commits another breach of this Agreement, all in the same 12-month period;

(xii) CMDT Franchise (or any affiliate) terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee (or its affiliate) (provided that termination of a Multi-Unit Development Agreement with Franchisee or its affiliate shall not give CMDT Franchise the right to terminate this Agreement);

(xiii) Franchisee or any Owner is charged with, pleads guilty or no-contest to, or is convicted of a felony; or

(xiv) Franchisee or any Owner is accused by any governmental authority or third party of any act, or if Franchisee or any Owner commits any act or series of acts, that in CMDT Franchise's opinion is reasonably likely to materially and unfavorably affect the Complete Mobile Drug Testing brand.

**14.3 Effect of Termination.** Upon termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition (Section 13.2(b)), confidentiality (Section 13.1), indemnity (Article 16), and dispute resolution (Article 17), will remain in effect, and Franchisee must immediately:

(i) pay all amounts owed to CMDT Franchise based on the operation of the Business through the effective date of termination or expiration;

(ii) return to CMDT Franchise all copies of the Manual, Confidential Information and any and all other materials provided by CMDT Franchise to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items (to the extent in the possession or control of Franchisee); and delete all Confidential Information and proprietary materials from electronic devices;

(iii) immediately take all action required (a) to cancel all assumed name or equivalent registrations relating to Franchisee's use of the Marks; and (b) to cancel or transfer to CMDT Franchise or its designee all telephone numbers, post office boxes, directory listings, and Digital Marketing accounts used by Franchisee in connection with the Business or the Marks, including, without limitation, by providing login and password details and promptly signing all directions and authorizations necessary or appropriate to accomplish the foregoing. Franchisee hereby irrevocably appoints CMDT Franchise, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing. The telephone company, the postal service, registrars, Internet service providers and each listing agency may accept such direction by CMDT Franchise pursuant to this Agreement as conclusive evidence of CMDT Franchise's exclusive rights in such accounts and its authority to direct their transfer; and

(iv) cease doing business under any of the Marks.

**14.4 Remove Identification.** Within 30 days after termination or expiration, Franchisee shall at its own expense "de-identify" the Location so that it no longer contains the Marks, signage, or any trade dress of a Complete Mobile Drug Testing business, to the reasonable satisfaction of CMDT Franchise. Franchisee shall comply with any reasonable instructions and procedures of CMDT Franchise for de-identification. If Franchisee fails to do so within 30 days after this Agreement expires or is terminated, CMDT Franchise may enter the Location to remove the Marks and de-identify the Location. In this event, CMDT Franchise will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by CMDT Franchise.

**14.5 Liquidated Damages.** If CMDT Franchise terminates this Agreement based upon Franchisee's default (or if Franchisee purports to terminate this Agreement except as permitted under Section 14.1), then within 10 days thereafter Franchisee shall pay to CMDT Franchise a lump sum (as liquidated damages and not as a penalty) calculated as follows: (x) the average monthly Royalty Fees and Marketing Fund Contributions that Franchisee owed to CMDT Franchise under this Agreement for the last 12 full months that Franchisee operated the Business (disregarding any fee waivers or reductions granted to Franchisee); multiplied by (y) the lesser of (1) 24 or (2) the number of months remaining in the then-current term of this Agreement. If Franchisee had not operated the Business for at least 12 months, then (x) will equal the average monthly Royalty Fees and Marketing Fund Contributions that Franchisee owed to CMDT Franchise during the full months that Franchisee operated the Business. The "average Royalty Fees and Marketing Fund Contributions that Franchisee owed to CMDT Franchise" shall be based on

the obligations stated in Article 4, and shall not be discounted or adjusted due to any deferred or reduced Royalty Fees and Marketing Fund Contributions agreed to by CMDT Franchise unless this Section 14.5 is specifically amended. Franchisee acknowledges that a precise calculation of the full extent of CMDT Franchise's damages under these circumstances is difficult to determine and the method of calculation of such damages as set forth in this Section is reasonable. Franchisee's payment to CMDT Franchise under this Section will be in lieu of any direct monetary damages that CMDT Franchise may incur as a result of CMDT Franchise's loss of Royalty Fees and Marketing Fund Contributions that would have been owed to CMDT Franchise after the date of termination; however, such payment shall be in addition to all damages and other amounts arising under Section 14.3 and Section 14.4, CMDT Franchise's right to injunctive relief for enforcement of Article 13, and any attorneys' fees and other costs and expenses to which CMDT Franchise is entitled under this Agreement. Except as provided in this Section, Franchisee's payment of this lump sum shall be in addition to any other right or remedy that CMDT Franchise may have under this Agreement or otherwise. If liquidated damages are prohibited by applicable law or are otherwise deemed unenforceable for any reason, then Franchisee shall be liable for CMDT Franchise's actual damages (including, without limitation, lost future profits) instead of liquidated damages.

**14.6 Purchase Option.**

(a) Option. When this Agreement expires or is terminated, CMDT Franchise will have the option (but not the obligation) to purchase any or all of the assets related to the Business, and/or to require Franchisee to assign its lease or sublease to CMDT Franchise. To exercise this option, CMDT Franchise must notify Franchisee no later than 30 days after this Agreement expires or is terminated.

(b) Price. The purchase price for all assets that CMDT Franchise elects to purchase will be the lower of (i) the book value of such assets as declared on Franchisee's last filed tax returns or (ii) the fair market value of the assets. If the parties cannot agree on fair market value within 20 days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. CMDT Franchise's purchase will be of assets only (free and clear of all liens), and the purchase will not include any liabilities of Franchisee. The purchase price for assets will not include any factor or increment for any trademark or other commercial symbol used in the business, the value of any intangible assets, or any goodwill or "going concern" value for the Business.

(c) Due Diligence. For a period of 30 days following the determination of the fair market value (the "Due Diligence Period") whether by agreement or by the determination by the appraiser as provided herein, CMDT Franchise shall have the right to conduct a due diligence investigation of the assets related to the Business. Franchisee must give CMDT Franchise reasonable access to Franchisee's facilities, books, and records during the Due Diligence Period. CMDT Franchise shall have the right to require Franchisee to continue to operate the Business during the Due Diligence Period, and CMDT Franchise shall also have the right to operate the Business during the Due Diligence Period in accordance with Section 11.13. CMDT Franchise is under no obligation to continue with due diligence or to exercise its purchase option, and CMDT Franchise may withdraw its exercise of the purchase option at any time before it pays for the assets.

(d) Closing. Franchisee will sign a bill of sale for the purchased assets and any other transfer documents reasonably requested by CMDT Franchise. CMDT Franchise will be entitled to all customary warranties and representations in connection with this asset purchase, including, representations and warranties as to ownership and condition of and title to assets, as to liens and encumbrances, validity of contracts, and liabilities affecting the assets. If CMDT Franchise exercises the purchase option, CMDT Franchise may deduct from the purchase price: (i) all amounts due from Franchisee; (ii) Franchisee's portion of the cost of any appraisal conducted hereunder; and (iii) amounts paid or to be paid by CMDT Franchise to cure defaults under Franchisee's lease and/or amounts owed by Franchisee to third parties. If any of the assets are subject to a lien, CMDT Franchise may pay a portion of the purchase price directly to the lienholder to pay off such lien. CMDT Franchise may withhold 25% of the purchase price for 90 days to ensure that all of Franchisee's taxes and other liabilities are paid.

(e) Assignment. CMDT Franchise may assign this purchase option to an affiliate or a third party.

## ARTICLE 15. TRANSFERS

**15.1 By CMDT Franchise.** CMDT Franchise may transfer or assign this Agreement, or any of its rights or obligations under this Agreement, to any person or entity, and CMDT Franchise may undergo a change in ownership and/or control, without the consent of Franchisee.

**15.2 By Franchisee.** Franchisee acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that CMDT Franchise entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience, and business ability. Accordingly, Franchisee shall not conduct or undergo a Transfer without providing CMDT Franchise at least 60 days prior notice of the proposed Transfer, and without obtaining CMDT Franchise's consent. In granting any such consent, CMDT Franchise may impose conditions, including, without limitation, the following:

(i) CMDT Franchise receives a transfer fee equal to $15,000 plus any broker fees and other out-of-pocket costs incurred by CMDT Franchise (of which a non-refundable $1,500 is due when Franchisee notifies CMDT Franchise or asks CMDT Franchise to consider a Transfer, and the balance is due when the Transfer is effective);

(ii) if the proposed Transferee or any of its owners were already in CMDT's franchise sales database or sale process when Franchisee began sales discussions, the transfer fee is increased by $10,000;

(iii) the proposed Transferee and its owners have completed CMDT Franchise's franchise application processes, meet CMDT Franchise's then-applicable standards for new franchisees, and have been approved by CMDT Franchise as franchisees;

(iv) the proposed Transferee is not a Competitor;

(v) the proposed Transferee executes CMDT Franchise's then-current form of franchise agreement and any related documents, which form may contain materially different provisions than this Agreement (provided, however, that the

form will be amended to provide that the proposed Transferee will not be required to pay an initial franchise fee);

(vi) all owners of the proposed Transferee provide a guaranty in accordance with Section 2.5;

(vii) Franchisee has paid all monetary obligations to CMDT Franchise and its affiliates, and to any lessor, vendor, supplier, or lender to the Business, and Franchisee is not otherwise in default or breach of this Agreement or of any other obligation owed to CMDT Franchise or its affiliates;

(viii) the proposed Transferee and its owners and employees undergo such training as CMDT Franchise may require;

(ix) Franchisee, its Owners, and the Transferee and its owners execute a general release of CMDT Franchise in a form satisfactory to CMDT Franchise; and

(x) the Business fully complies with all of CMDT Franchise's most recent System Standards.

**15.3 Transfer for Convenience of Ownership.** If Franchisee is an individual, Franchisee may Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership after at least 15 days' notice to CMDT Franchise, if, prior to the Transfer: (1) the transferee provides the information required by Section 2.3; (2) Franchisee provides copies of the entity's charter documents, by-laws (or operating agreement) and similar documents, if requested by CMDT Franchise, (3) Franchisee owns all voting securities of the corporation or limited liability company, and (4) Franchisee provides a guaranty in accordance with Section 2.5.

**15.4 Transfer upon Death or Incapacity.** Upon the death or incapacity of Franchisee (or, if Franchisee is an entity, the Owner with the largest ownership interest in Franchisee), the executor, administrator, or personal representative of that person must Transfer the Business to a third party approved by CMDT Franchise (or to another person who was an Owner at the time of death or incapacity of the largest Owner) within nine months after death or incapacity. Such transfer must comply with Section 15.2.

**15.5 CMDT Franchise's Right of First Refusal.** Before Franchisee (or any Owner) engages in a Transfer (except under Section 15.3, to a co-Owner, or to a spouse, sibling, or child of an Owner), CMDT Franchise will have a right of first refusal, as set forth in this Section. Franchisee (or its Owners) shall provide to CMDT Franchise a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of CMDT Franchise's receipt of such copy, CMDT Franchise will have the right, exercisable by notice to Franchisee, to purchase the assets subject of the proposed Transfer for the same price and on the same terms and conditions (except that if some or all of the purchase price is not payable in cash, CMDT Franchise may pay the equivalent value in cash for the purchase price). If CMDT Franchise does not exercise its right of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Article.

**15.6 No Sublicense.** Franchisee has no right to sublicense the Marks or any of Franchisee's rights under this Agreement.

**15.7 No Lien on Agreement.** Franchisee shall not grant a security interest in this Agreement to any person or entity. If Franchisee grants an "all assets" security interest to any lender or other secured party, Franchisee shall cause the secured party to expressly exempt this Agreement from the security interest.

## ARTICLE 16. INDEMNITY

**16.1 Indemnity.** Franchisee shall indemnify and defend (with counsel reasonably acceptable to CMDT Franchise) CMDT Franchise, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against CMDT Franchise and/or any Indemnitee directly or indirectly related to, or alleged to arise out of, the development or operation of the Business (including any Data Security Event), or the acts or omissions of Franchisee or any of Franchisee's Owners, officers, directors, employees, or agents. Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnitee from Actions which Franchisee proves arose solely as a result of any Indemnitee's intentional misconduct or gross negligence. Any delay or failure by an Indemnitee to notify Franchisee of an Action shall not relieve Franchisee of its indemnity obligation except to the extent (if any) that such delay or failure materially prejudices Franchisee. Franchisee shall not settle an Action without the consent of the Indemnitee. This indemnity will continue in effect after this Agreement ends.

**16.2 Assumption.** An Indemnitee may elect to assume the defense of any Action subject to this indemnification, and control all aspects of defending the Action, including negotiations and settlement, at Franchisee's expense. Such an undertaking shall not diminish Franchisee's obligation to indemnify the Indemnitees.

## ARTICLE 17. DISPUTE RESOLUTION

### 17.1 Arbitration.

(a) Disputes Subject to Arbitration. Except as expressly provided in subsections (c) and (d), any controversy or claim between the parties (including any controversy or claim arising out of or relating to this Agreement or its formation and including any question of arbitrability) shall be resolved by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, including the Optional Rules for Emergency Measures of Protection. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction.

(b) Location. The place of arbitration shall be the city and state where CMDT Franchise's headquarters are located.

(c) Injunctive Relief. Either party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy or right to arbitrate under this Agreement, seek from any court having jurisdiction any interim or provisional injunctive relief.

(d) Intellectual Property Claims. Either party may bring a claim involving an alleged infringement of any of CMDT Franchise's intellectual property rights in a court authorized to hear such claims under Section 17.5 of this Agreement.

(e) Confidentiality. All documents, information, and results pertaining to any arbitration or lawsuit will be confidential, except as required by law or as required for CMDT Franchise to comply with laws and regulations applicable to the sale of franchises.

(f) Performance During Arbitration or Litigation. Unless this Agreement has been terminated, CMDT Franchise and Franchisee will comply with this Agreement and perform their respective obligations under this Agreement during the arbitration or litigation process.

**17.2 Damages.** In any controversy or claim arising out of or relating to this Agreement, each party waives any right to punitive or other monetary damages not measured by the prevailing party's actual damages, except damages expressly authorized by federal statute and damages expressly authorized by this Agreement.

**17.3 Waiver of Class Actions.** The parties agree that any claims will be arbitrated, litigated, or otherwise resolved on an individual basis, and waive any right to act on a class-wide basis.

**17.4 Time Limitation.** Any arbitration or other legal action arising from or related to this Agreement must be instituted within two years from the date of the conduct or event that forms the basis of the arbitration or other legal action. The foregoing time limit does not apply to claims (i) by CMDT Franchise related to non-payment of Royalty Fees and other amounts owed by Franchisee, (ii) for indemnity under Article 16, or (iii) related to unauthorized use of Confidential Information or the Marks.

**17.5 Venue Other Than Arbitration.** For any legal proceeding not required to be submitted to arbitration, the parties agree that such proceeding will be brought in the United States District Court where CMDT Franchise's headquarters is then located. If there is no federal jurisdiction over the dispute, the parties agree that any such legal proceeding will be brought in the court of record of the state and county where CMDT Franchise's headquarters is then located. Each party consents to the jurisdiction of such courts and waives any objection that it, he or she may have to the laying of venue of any proceeding in any of these courts.

**17.6 Legal Costs.** In any legal proceeding (including arbitration) related to this Agreement or any guaranty, the non-prevailing party shall pay the prevailing party's attorney fees, costs and other expenses of the legal proceeding. "Prevailing party" means the party, if any, which prevailed upon the central litigated issues and obtained substantial relief.

**17.7 Franchisor Personnel.** The provisions of this Article 17 will apply to any Action by Franchisee or its Owners against CMDT Franchise's officers, directors, shareholders, members, employees, and/or agents. Nothing in this Agreement authorizes any Action against CMDT Franchise's officers, directors, shareholders, members, employees, and/or agents or makes those persons liable for CMDT Franchise's conduct.

## ARTICLE 18. MISCELLANEOUS

**18.1 Relationship of the Parties.** The parties are independent contractors, and neither is the agent, partner, joint venturer, or employee of the other. CMDT Franchise is not a fiduciary of Franchisee. CMDT Franchise does not control or have the right to control Franchisee or its Business. Any required specifications and standards in this Agreement and in the System Standards exist to protect CMDT Franchise's interest in the System and the Marks, and the goodwill established in them, and not for the purpose of establishing any control, or duty to take control, over the Business. CMDT Franchise has no liability for Franchisee's obligations to any third party whatsoever.

**18.2 No Third-Party Beneficiaries.** Except as stated in Article 16 or Article 17, this Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, CMDT Franchise, and CMDT Franchise's affiliates.

**18.3 Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes all prior negotiations and representations. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made by CMDT Franchise in its franchise disclosure document.

**18.4 Modification.** No modification or amendment of this Agreement will be effective unless it is in writing and signed by both parties. This provision does not limit CMDT Franchise's rights to modify the Manual or System Standards.

**18.5 Consent; Waiver.** No consent under this Agreement, and no waiver of satisfaction of a condition or nonperformance of an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the consent or waiver. No waiver by a party of any right will affect the party's rights as to any subsequent exercise of that right or any other right. No delay, forbearance, or omission by a party to exercise any right will constitute a waiver of such right.

**18.6 Cumulative Remedies.** Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

**18.7 Severability.** The parties intend that (i) if any provision of this Agreement is held by an arbitrator or court to be unenforceable, then that provision be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded, and (ii) if an unenforceable provision is modified or disregarded, then the rest of this Agreement will remain in effect as written.

**18.8 Governing Law.** The laws of the state of Wisconsin (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Wisconsin law for the protection of franchisees or business opportunity purchasers (including the Wisconsin Franchise Investment Law) will not apply unless its jurisdictional requirements are met independently without reference to this Section 18.8.

**18.9 Notices.** Any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (A) if to Franchisee, addressed to Franchisee at the notice

address set forth in the Summary Page; and (B) if to CMDT Franchise, addressed to 4805 S. 74th St., Suite B, Greenfield, WI 53220. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notices will be effective upon the earlier of: (i) receipt by the recipient, (ii) first rejection by the recipient, (iii) three business days after mailing if sent via registered or certified mail; or (iv) the next business day after mailing if sent via overnight courier. Notwithstanding the foregoing, CMDT Franchise may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication, in which case notice would be effective on Franchisee upon the delivery of the electronic mail or other electronic communication.

**18.10 Force Majeure.** If either party is unable to perform an obligation due to riots, terrorist act, war, disaster (such as an earthquake, hurricane, or tornado), health emergency (such as epidemics, pandemic, and quarantines), or any other act of God or nature beyond the reasonable control of such party (a "Force Majeure"), such party's performance of the obligation shall be excused for so long as the Force Majeure exists, but not longer than 180 days. This section shall not excuse a party's obligation to make a payment owed under this Agreement.

**18.11 Holdover.** If Franchisee continues operating the Business after the expiration of the term without a renewal agreement or successor franchise agreement executed by the parties in accordance with Section 3.2, then at any time (regardless of any communication or course of dealing by CMDT Franchise), CMDT Franchise may determine that (a) this Agreement expired as of the date of expiration with Franchisee then operating the Business without a license to do so and in violation of CMDT Franchise's rights or (b) this Agreement continues on an interim basis until 30 days after one party notifies the other party of termination (the "Interim Period"), in which case all of Franchisee's obligations hereunder remain in full force and effect during the Interim Period as if this Agreement had not expired, and all obligations and restrictions imposed at the expiration of this Agreement will take effect upon termination of the Interim Period.

**18.12 Joint and Several Liability.** If two or more people sign this Agreement as "Franchisee", each will have joint and several liability.

**18.13 No Offer and Acceptance.** Delivery of a draft of this Agreement to Franchisee by CMDT Franchise does not constitute an offer. This Agreement shall not be effective unless and until it is executed by both Franchisee and CMDT Franchise.

[*Signatures on next page*]

Agreed to by:

FRANCHISOR:

COMPLETE MOBILE DRUG TESTING FRANCHISE LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

[*if an individual:*]

_____
Name: _____
Date: _____

[*if an entity:*]

_____

By: _____
Name: _____
Title: _____
Date: _____

(*Check if applicable*) At the same time as the parties execute this Agreement, they are also executing a Rider to Franchise Agreement pursuant to:

_____ Illinois
_____ Indiana
_____ Maryland
_____ Minnesota
_____ New York
_____ North Dakota
_____ Ohio
_____ Rhode Island
_____ Virginia
_____ Washington

## Attachment 1 to Franchise Agreement

## OWNERSHIP INFORMATION

**1. Form of Ownership.** Franchisee is a (check one):

_____ *Sole Proprietorship*
_____ *Partnership*
_____ *Limited Liability Company*
_____ *Corporation*

State: _____

**2. Owners.** If Franchisee is a partnership, limited liability company or corporation:

| Name | Shares or Percentage of Ownership |
|---|---|
| | |
| | |
| | |
| | |
| | |

**3. Officers.** If Franchisee is a limited liability company or corporation:

| Name | Title |
|---|---|
| | |
| | |
| | |
| | |
| | |

## Attachment 2 to Franchise Agreement

## LOCATION ACCEPTANCE LETTER

To: _____

This Location Acceptance Letter is issued by Complete Mobile Drug Testing Franchise LLC for your Complete Mobile Drug Testing franchise in accordance with Section 6.1 of the Franchise Agreement.

1. The Location of the Business is: _____
2. The Territory of the Business is: See Attachment 5 to Franchise Agreement.

COMPLETE MOBILE DRUG TESTING FRANCHISE LLC

By: _____
Name: _____
Title: _____
Date: _____

## Attachment 3 to Franchise Agreement

## GUARANTY AND NON-COMPETE AGREEMENT

This Guaranty and Non-Compete Agreement (this "Guaranty") is executed by the undersigned person(s) (each, a "Guarantor") in favor of Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise").

**Background Statement:** _____ ("Franchisee") desires to enter into a Franchise Agreement with CMDT Franchise for the franchise of a Complete Mobile Drug Testing business (the "Franchise Agreement"; capitalized terms used but not defined in this Guaranty have the meanings given in the Franchise Agreement). Guarantor owns an equity interest in Franchisee. Guarantor is executing this Guaranty in order to induce CMDT Franchise to enter into the Franchise Agreement.

Guarantor agrees as follows:

**1. Guaranty.** Guarantor hereby unconditionally guarantees to CMDT Franchise and its affiliates that Franchisee shall pay and perform every undertaking, agreement and covenant set forth in the Franchise Agreement and further guarantees every other liability and obligation of Franchisee to CMDT Franchise and its affiliates, whether or not contained in the Franchise Agreement. Guarantor shall render any payment or performance required under the Franchise Agreement or any other agreement between Franchisee and CMDT Franchise or its affiliates upon demand from CMDT Franchise. Guarantor waives (a) acceptance and notice of acceptance by CMDT Franchise of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Franchisee; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Franchisee or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law which requires that CMDT Franchise make demand upon, assert claims against or collect from Franchisee or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled. Guarantor also agrees that no modification, extension, or indulgence granted to Franchisee (including any amendment or modification of the Franchise Agreement) shall release Guarantor from this Guaranty, and that this Guaranty shall continue in full force and effect as to any renewal, extension, amendment, or modification of the Franchise Agreement.

**2. Confidential Information.** With respect to all Confidential Information, Guarantor shall (a) adhere to all security procedures prescribed by CMDT Franchise for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business, (c) not use any such information in any other business or in any manner not specifically authorized or approved in writing by CMDT Franchise, (d) exercise the highest

degree of diligence and make every effort to maintain the confidentiality of all such information during and after the term of the Franchise Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Guarantor acknowledges that all Confidential Information is owned by CMDT Franchise or its affiliates (except for Confidential Information which CMDT Franchise licenses from another person or entity). Guarantor acknowledges that all customer data collected or generated by the Business and all data collected or generated by the point-of-sale system (other than data regarding employees) is Confidential Information belonging to CMDT Franchise. This Section will survive the termination or expiration of the Franchise Agreement indefinitely. Nothing in this Section or elsewhere in this Guaranty or the Franchise Agreement shall be deemed to limit or prohibit Guarantor from communicating about potential law violations with the Federal Trade Commission or other government agency acting within its statutory mandate.

**3. Covenants Not to Compete.**

(a) Restriction - In Term. During the term of the Franchise Agreement, Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after the Franchise Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer by Guarantor), Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor located within five miles of Franchisee's Territory or within five miles of the territory of any other Complete Mobile Drug Testing business operating on the date of expiration, termination, or transfer, as applicable. If the Franchise Agreement is terminated before the Territory is determined, then the area of non-competition will be the Site Selection Area and within five miles the territory of any other Complete Mobile Drug Testing business operating on the date of termination. If a given Complete Mobile Drug Testing business does not have a defined territory, then for purposes of this Section its territory will be deemed to be a 3-mile radius.

(c) Interpretation. Guarantor agrees that each of the foregoing covenants is independent of any other covenant or provision of this Guaranty or the Franchise Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any court or arbitrator, then the parties intend that the court or arbitrator modify such restriction to the extent reasonably necessary to protect the legitimate business interests of CMDT Franchise. Guarantor agrees that the existence of any claim it or Franchisee may have against CMDT Franchise shall not constitute a defense to the enforcement by CMDT Franchise of the covenants of this Section. If Guarantor fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

**4. Modification.** Guarantor agrees that Guarantor's liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Franchise Agreement, (b) any extension of time, credit or other indulgence which CMDT Franchise may from time-to-time grant to Franchisee or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

**5. Governing Law; Dispute Resolution.** This Guaranty shall be governed by and construed in accordance with the laws of the state of Wisconsin (without giving effect to its principles of conflicts of law). The parties agree that any Wisconsin law for the protection of franchisees or business opportunity purchasers (including the Wisconsin Franchise Investment Law) will not apply unless its jurisdictional requirements are met independently without reference to this Section 5. The provisions of Article 17 (Dispute Resolution) of the Franchise Agreement apply to and are incorporated into this Guaranty as if fully set forth herein. Guarantor shall pay to CMDT Franchise and its affiliates all costs incurred by CMDT Franchise or its affiliates (including reasonable attorney fees) in enforcing this Guaranty. If multiple Guarantors sign this Guaranty, each will have joint and several liability.

Agreed to by:

_____
Name: _____
Address: _____
_____
_____
Date: _____

_____
Name: _____
Address: _____
_____
_____
Date: _____

_____
Name: _____
Address: _____
_____
_____
Date: _____

## Attachment 4 to Franchise Agreement

## CONDITIONAL ASSIGNMENT OF BRAND ACCOUNTS

This Assignment of Brand Accounts (this "Assignment") is executed by the undersigned ("Franchisee") in favor of Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise").

**Background Statement:** CMDT Franchise and Franchisee are parties to a Franchise Agreement pursuant to which CMDT Franchise granted Franchisee a license to operate a Complete Mobile Drug Testing franchised business (the "Business"). CMDT Franchise or its affiliates are the sole owner of the Complete Mobile Drug Testing brand and all names, logos, trademarks, service marks, and other intellectual property associated therewith. To protect CMDT Franchise's interest in and control of Complete Mobile Drug Testing, Franchisee acknowledges and agrees that CMDT Franchise has the right to control all telephone numbers, directory listings, and internet marketing accounts related to Complete Mobile Drug Testing.

Franchisee agrees as follows:

**1. Conditional Assignment.** Franchisee hereby assigns to CMDT Franchise (or its designee) all of Franchisee's rights, title, and interest in and to all telephone numbers, directory listings, email accounts, websites, social media accounts, and all other accounts and profiles for advertising and marketing on the internet or any electronic communications network ("Brand Accounts") associated with Complete Mobile Drug Testing and registered by Franchisee from time to time in connection with the operation of Franchisee's Business, such assignment to be effective upon (a) termination or expiration of the Franchise Agreement, or (b) notice from CMDT Franchise to Franchisee, at which time CMDT Franchise will have the right to assume ownership of any one or all Brand Accounts.

**2. Transfer or Deletion.** Franchisee hereby authorizes the service provider of each Brand Account (the "Provider") to transfer the Brand Account to CMDT Franchise (or its designee) or to delete the Brand Account upon the written instruction of CMDT Franchise. Franchisee hereby grants CMDT Franchise an irrevocable limited power of attorney on behalf of Franchisee to direct any Provider to transfer or delete a Brand Account. In such an event, Franchisee will have no further right, title or interest in the Brand Account but will remain liable to the Provider for all past due fees owing to the Provider on or before the date on which the assignment is effective. CMDT Franchise will have no liability or obligation of any kind to a Provider arising prior to the effective date of transfer or deletion. Franchisee agrees to take all reasonable steps necessary to effectuate the transfer or deletion (as determined by CMDT Franchise) of each Brand Account.

[*Signatures on next page*]

Executed by:

FRANCHISEE:

[*if an individual:*]

_____
Name: _____
Date: _____

[*if an entity:*]

_____

By: _____
Name: _____
Title: _____
Date: _____

## Attachment 5 to Franchise Agreement

## TERRITORY

**1. Number of Territories.** For purposes of Section 4.2 of the Agreement, Franchisee is deemed to have [__] Territories.

**2. Designated Territories:** The Territories are comprised of the following zip codes. The map below is for convenience; in the event of a conflict between the zip codes and the map, the zip codes will control. [*list zip codes and provide optional map(s)*]

**EXHIBIT C**

**RIDER TO LEASE AGREEMENT**

| | |
|---|---|
| Landlord: _____ | Franchisor: Complete Mobile Drug Testing Franchise LLC |
| Notice Address: _____ | Notice Address: 4805 S. 74th St., Suite B, Greenfield, WI 53220 |
| _____ | |
| _____ | |
| Telephone: _____ | Telephone: 262-982-6034 |

Tenant: _____

Leased Premises: _____

1. Use. Tenant is a franchisee of Franchisor. The Leased Premises shall be used only for the operation of a Complete Mobile Drug Testing business (or any name authorized by Franchisor).

2. Notice of Default and Opportunity to Cure. Landlord shall provide Franchisor with copies of any written notice of default ("Default") given to Tenant under the Lease, and Landlord grants to Franchisor the option (but not the obligation) to cure any Default under the Lease (should Tenant fail to do so) within 10 days after the expiration of the period in which Tenant may cure the Default.

3. Termination of Lease; Amendment. Landlord shall copy Franchisor on any notice of termination of the Lease. If Landlord terminates the Lease for Tenant's Default, Franchisor shall have the option to enter into a new Lease with Landlord on the same terms and conditions as the terminated Lease. To exercise this option, Franchisor must notify Landlord within 15 days after Franchisor receives notice of the termination of the Lease. Landlord and Tenant shall not amend the Lease without Franchisor's written permission.

4. Termination of Franchise Agreement. If the Franchise Agreement between Franchisor and Tenant is terminated or expires during the term of the Lease, then upon the written request of Franchisor, Tenant shall assign the Lease to Franchisor. Landlord hereby consents to the assignment of the Lease to Franchisor.

5. Assignment and Subletting. Notwithstanding any provision of the Lease to the contrary, Tenant shall have the right to assign or sublet the Lease to Franchisor or its affiliate, provided that no such assignment or sublease shall relieve Tenant or any guarantor of liability under the Lease unless otherwise agreed by Landlord. If Franchisor or its affiliate becomes the lessee of the Leased Premises, then Franchisor shall have the right to assign or sublease its lease to a franchisee of the Complete Mobile Drug Testing brand. Any provision of the Lease which limits Tenant's right to own or operate other Complete Mobile Drug Testing outlets in proximity to the Leased Premises shall not apply to Franchisor or to its affiliates.

6. Authorization. Tenant authorizes Landlord and Franchisor to communicate directly with each other about Tenant and Tenant's business.

7. Right to Enter. Upon the expiration or termination of the Franchise Agreement or the Lease, or the termination of Tenant's right of possession of the Leased Premises, Franchisor or its designee may, after giving reasonable prior notice to Landlord, enter the Leased Premises to remove signs and other material bearing Franchisor's brand name, trademarks, and commercial symbols, provided that Franchisor will be liable to Landlord for any damage Franchisor or its designee causes by such removal.

8. No Liability. By executing this Rider, Franchisor does not assume any liability with respect to the Leased Premises or any obligation as Tenant under the Lease.

Executed by:

LANDLORD:

_____

By: _____
Name: _____
Title: _____
Date: _____

TENANT:

_____

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISOR:

COMPLETE MOBILE DRUG TESTING FRANCHISE LLC

By: _____
Name: _____
Title: _____
Date: _____

# EXHIBIT D

## FORM OF GENERAL RELEASE

[*This is our current standard form of General Release. This document is not signed when you purchase a franchise. In circumstances such as a renewal of your franchise or as a condition of our approval of a sale of your franchise, we may require you to sign a general release.*]

This General Release ("Release") is executed by the undersigned ("Releasor") in favor of Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise").

**Background Statement:** [*describe circumstances of Release*]

Releasor agrees as follows:

**1. Release.** Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the "Releasing Parties")) hereby releases CMDT Franchise, its affiliates, and their respective directors, officers, shareholders, employees, franchise sellers, and agents (collectively, the "Released Parties") from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement (collectively, "Claims").

**2. Covenant Not to Sue.** Releasor (on behalf of all Releasing Parties) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any Released Party with respect to any Claim.

**3. Representations and Acknowledgments.** Releasor represents and warrants that: (i) Releasor is the sole owner of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor's choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim.

**4. Miscellaneous.** If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that CMDT Franchise reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof.

**5. State Addenda.**

**[Maryland Residents]:** This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

**[Washington Residents]:** A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the franchise agreement is in effect and where the parties are represented by independent counsel.

Agreed to by:

_____

Name: _____

Date: _____

# EXHIBIT E

# FINANCIAL STATEMENTS

# Complete Mobile Drug Testing Franchise, LLC

## Independent Auditor's Report
## And
## Balance Sheet Statement
## December 31, 2025

## Table of Contents

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**Metwally CPA PLLC**
**CERTIFIED PUBLIC ACCOUNTANT**
3535 Firewheel Dr, STE D120, Flower Mound, Texas 75028
Cell: 214-200-5434 (Mohamed Metwally) Mmetwally@metwallycpa.com

## Independent Auditor's Report

To the members of
Complete Mobile Drug Testing Franchise, LLC

### Opinion

We have audited the accompanying balance sheet of Complete Mobile Drug Testing Franchise, LLC (the Company) as of December 31, 2025, and the related notes to the financial statement.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of the Company as of December 31, 2025, in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statement is available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Metwally CPA PLLC

Metwally CPA PLLC
Flower Mound, Texas
April 22, 2026

**Complete Mobile Drug Testing Franchise, LLC**
**Balance Sheet**
**December 31, 2025**

**Assets**

| | |
|---|---|
| **Current Assets** | |
| Cash and cash equivalents | $5,000 |
| **Total Current Assets** | **$5,000** |
| **Liabilities and Members' Equity** | |
| **Total Liabilities** | **$0** |
| Members' equity | 5,000 |
| **Total Liabilities and Members' Equity** | **$5,000** |

*The accompanying notes are an integral part of the financial statement.*

## Complete Mobile Drug Testing Franchise, LLC
## Notes to Financial Statement
## December 31, 2025

### 1. COMPANY AND DESCRIPTION OF BUSINESS

Complete Mobile Drug Testing Franchise, LLC (the Company) was established in the state of Wisconsin on April 25, 2025, for the purpose of offering franchise opportunities to entrepreneurs who want to own and operate their business as a franchise. The Company provides qualified individuals with the right to operate the Complete Mobile Drug Testing business. The Company offers individual unit franchises and area development franchises for the development of multiple units within a designated territory.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the Company's financial statement. The financial statement and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statement.

#### A. Basis of Accounting

The financial statement was prepared in conformity with accounting principles generally accepted in the United States of America ("US GAAP").

#### B. Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

#### C. Federal Income Taxes

As a limited liability Company, the Company's taxable income or loss is allocated to members in accordance with their respective percentage ownership. Therefore, no provision for income taxes has been included in the financial statements.

#### D. Use of Estimates

The preparation of our Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of our financial statements and the reported amounts of revenues, costs and expenses during the reporting period. Actual results could differ significantly from those estimates. It is at least reasonably possible that a change in the estimates will occur in the near term.

#### E. Concentration of Credit Risk

The Company maintains cash and cash equivalents with major financial institutions. At various times during the period, the total amount on deposit might exceed the $250,000 limit insured by the Federal Deposit Insurance Corporation (FDIC). The Company believes that it mitigates credit risk by depositing cash with financial institutions having high credit ratings.

**F. Revenue Recognition**

Revenue is recognized in accordance with ASC Topic 606, Revenue from Contracts with Customers. The Company adopted ASU 2021-02 Franchisors - Revenue from Contracts with Customers (Subtopic 952-606) effective with the application of ASC Topic 606. The ASU provides a practical expedient to ASU2014-09 Revenue from contracts with Customers (Topic 606). The new guidance allows franchisors to simplify the application of the guidance about identifying performance obligations for franchisors that perform pre-opening services by allowing a franchisor to account for pre-opening services as distinct if they are consistent with those included in a predefined list of pre-opening services.

Franchise Fees

The franchise arrangement between the Company and each franchise owner is documented in the form of a franchise agreement and, in select cases, a development agreement. The franchise arrangement requires the Company as franchisor to perform various activities to support the brand and does not involve the direct transfer of goods and services to the franchise owner as a customer. Activities performed by the Company before opening are distinguished from the franchise license. Therefore, the Company recognizes franchise fees as two performance obligations. The nature of the Company's promise in granting the franchise license is to provide the franchise owner with access to the brand's intellectual property over the term of the franchise arrangement.
The transaction price in a standard franchise arrangement consists of (a) franchise/development fees; (b) Marketing, brand development and royalties Fees and (c) IT Fees; (d) Annual Conference Fees. The Company utilize ASC 606 five-step revenue recognition model as follows:

- Identify the contract with the customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations.
- Recognize revenue when (or as) each performance obligation is satisfied.

The terms of the Company's franchise agreement will be as follows:
- The Company will grant the right to use the Company name, trademark, and system in the franchisee's franchise development business.
- The franchisee is obligated to pay a non-refundable initial franchise fee.
- The franchisee is obligated to pay monthly royalties, marketing, IT, and annual conference fees. Certain other fees are also outlined in the agreement.

Franchise revenues are recognized by the Company from the following different sources: The Company recognizes franchise fees as two (2) performance obligations. The first, pre-opening services, including access to manuals, assistance in site selection, and initial training, have been determined to be distinct services offered to franchisees. Pre-opening services are earned over a period using an input method of completion based on costs incurred for each franchisee at the end of each year.

The second, access to the franchise license, has been determined to be distinct. The amount allocated to the franchise license is earned overtime as performance obligations are satisfied due to the continuous transfer of control to the franchisee. Franchise and development fees are paid in advance of the franchise opening, typically when entering into a new franchise or development agreement. Fees allocated to the franchise license are recognized as revenue on a straight-line basis over the term of each respective franchise agreement. Initial franchise agreement terms are typically 10 years while successive agreement terms are typically 10 years.

Variable Considerations

Franchise agreements contain variable considerations in the form of royalty fees and brand development (advertising). These fees are based on franchisee sales and are recorded as revenue and recognized as these services are delivered because the variable payment relates specifically to the performance obligation of using the license.

Contracts Assets and Liabilities Balances

The Company incurs costs that are directly attributable to obtaining a contract, for example, commission fees, broker fees, and referral fees. Under ASC 606, costs that are directly associated with obtaining a contract are to be capitalized and recognized over the term of the agreement. Capitalized costs are included in deferred expenses on the accompanying balance sheet. As such, direct franchise license costs are recognized over the franchise and renewal term, which is the performance obligation, and is typically the franchise agreement's term. If a customer is terminated, the remaining deferred expense will be recognized to expenses.
Deferred revenue consists of the remaining initial franchise fees to be amortized over the life of the franchise agreements. Deferred revenue is a result of the collection of the initial franchise fee at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed.

The Company didn't generate any revenue as of the balance sheet date but will be implementing ASC 606 to recognize its revenue once a sale has been made.

**G. Recent Accounting Pronouncements**

FASB ASU No. 2016-02 – Leases (Topic 842) is effective for the calendar year 2022. The standard requires lessees to recognize right-of-use assets and liabilities for most leases with terms longer than twelve months. The Company has evaluated the impact of this standard on its financial statements and determined that it doesn't have any lease that meets the requirement to recognize a right-of-use asset and liability because the Company doesn't have any long-term leases.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurements of Credit Losses on Financial Instruments. ASU 2016-13, along with subsequent clarifications and improvements (collectively, ASC 326), replaces the incurred loss impairment methodology in prior U.S. GAAP with a methodology that instead reflects a current estimate of all expected credit losses on financial assets, including receivables. ASC 326 requires that the Company measure and recognize expected credit losses at the time the asset is recorded, while considering a broader range of information to estimate credit losses including country specific macroeconomic conditions that correlate with historical loss experience, delinquency trends and aging behavior of receivables, among others. ASC 326 is effective for the Company since inception. There was no impact on the Company's financial statements as a result of the implementation of this standard.

**3. CASH AND CASH EQUIVALENTS**

The Company maintains its cash balance in U.S. noninterest-bearing transaction accounts which are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. On December 31, 2025, the Company's cash balance didn't exceed the FDIC insurance limits.

The Company considers all cash in the bank and investments in highly liquid debt instruments with maturities of three months or less to be cash equivalents. As of December 31, 2025, the Company has approximately $5,000 in cash in their operating bank account.

## 4. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 22, 2026, which is the date the financial statement was available to be issued. The Company did not have any material recognizable subsequent events that would require adjustment to, or disclosure in, the financial statement.

## EXHIBIT F

## BRAND STANDARDS MANUAL TABLE OF CONTENTS

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# EXHIBIT G

## CURRENT AND FORMER FRANCHISEES

Current Franchisees

Names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets:

None

Franchisees who had signed franchise agreements but were not yet open as of the end of our last fiscal year:

None

Note: We did not have any multi-unit developers at the close of our last fiscal year.

Former Franchisees

Name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

None

# EXHIBIT H

# STATE ADDENDA TO DISCLOSURE DOCUMENT

## CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT 14 DAYS PRIOR TO EXECUTION OF AGREEMENT.

OUR WEBSITE, WWW.COMPLETEMOBILEDRUGTESTING.COM, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND BUSINESS OVERSIGHT AT WWW.DFPI.CA.GOV.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA.

**REGISTRATION OF THIS FRANCHISE OFFERING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION.**

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES. THIS REQUIREMENT PLACES THE MARITAL ASSETS OF THE SPOUSES DOMICILED IN COMMUNITY PROPERTY STATES – ARIZONA, CALIFORNIA, IDAHO, LOUISIANA, NEVADA, NEW MEXICO, TEXAS, WASHINGTON AND WISCONSIN AT RISK IF YOUR FRANCHISE FAILS.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

   Neither franchisor nor any person or franchise broker in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

   With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

3. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

   The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person

acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Greenfield, Wisconsin, with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of Wisconsin. This provision may not be enforceable under California law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise. See NASAA STATEMENT OF POLICY REGARDING THE USE OF FRANCHISE QUESTIONNAIRES AND ACKNOWLEDGMENTS. https://www.nasaa.org/wp-content/uploads/2022/11/sop-franchise-questionnaires.pdf.

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

## HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Hawaii only, this Disclosure Document is amended as follows:

**THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

**THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.**

**THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

Registered agent in the state authorized to receive service of process:

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. A franchise registration is effective or an offering circular is on file in the following states: _____

2. A proposed registration or filing is or will be shortly on file in the following states: _____

3. No states have refused, by order or otherwise to register these franchises.

4. No states have revoked or suspended the right to offer these franchises.

5. The proposed registration of these franchises has not been withdrawn in any state.

## ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the "Act"), this Disclosure Document is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Act.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Maryland only, this Disclosure Document is amended as follows:

The following is added to Item 17:

> The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
>
> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
>
> You have the right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.
>
> The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.
>
> No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Minnesota only, this Disclosure Document is amended as follows:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

- Minnesota Statutes, Section 181.991 prohibit the franchisor from restricting, restraining, or prohibiting in any way a franchisee from soliciting or hiring an employee of a franchisee of the same franchisor or from soliciting or hiring an employee of the franchisor.

**THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

**THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

## NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In the State of New York only, this Disclosure Document is amended as follows:

1. The following information is added to the cover page of the Franchise Disclosure Document:

**INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY ST. 21ST FLOOR, NEW YORK, NY 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending

action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by franchisor**":

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**": The foregoing choice of law should not be

considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

## NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of North Dakota only, this Disclosure Document is amended as follows:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

7. Waiver of Exemplary and Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.

**OHIO ADDENDUM TO DISCLOSURE DOCUMENT**

In the State of Ohio only, this Disclosure Document is amended by adding the following two cover pages to this Disclosure Document:

# COMPLETE MOBILE DRUG TESTING FRANCHISE LLC

**May 11, 2026**

# READ THIS DISCLOSURE DOCUMENT CAREFULLY

**The state of Ohio has not reviewed and does not approve, recommend, endorse, or sponsor this or any franchise. If you have any questions about this franchise, the information contained in this disclosure document should be reviewed with an attorney or financial advisor before you sign any agreement.**

**The following disclosure document contains the disclosures required by Ohio law.**

In the State of Ohio only, this Disclosure Document is further amended as follows:

The following is added to Item 19:

**CAUTION**

**Some business opportunity plans have earned this amount. There is no assurance you will do as well. If you rely upon our figures, you must accept the risk of not doing as well.**

## RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Rhode Island only, this Disclosure Document is amended as follows:

Item 17, summary columns for (v) and (w) are amended to add the following:

> Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

## VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

The following statements are added to Item 17(h):

> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
>
> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

The following statement is added to Item 17(r):

> Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act ("Act"), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

Item 17(t) is amended to read as follows:

> Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.
>
> No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

(See Exhibit I for Washington Addendum to Disclosure Document and Rider to Franchise Agreement)

# EXHIBIT I

# STATE ADDENDA TO AGREEMENTS

## ILLINOIS RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise") and _____, a _____ ("Franchisee").

**1. Governing Law.** Illinois law governs the Agreement.

**2. Waivers Void.** In conformance with Section 41 of the Illinois Franchise Disclosure Act, notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

**3. Jurisdiction.** In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to occur outside of Illinois.

**4. Termination/Non-Renewal.** Franchisee's rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

**5. Disclaimers.** No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Agreed to by:

FRANCHISOR:

COMPLETE MOBILE DRUG TESTING FRANCHISE LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____
Date: _____

## INDIANA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise") and _____, a _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Indiana Acts" means the Indiana Franchise Act and the Indiana Deceptive Franchise Practices Act.

**2. Certain Provisions Modified.** Any provision of the Agreement which would have any of the following effects is hereby modified to the extent required for the Agreement to be in compliance with the Indiana Acts:

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or services or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by the Indiana Deceptive Franchise Practices Act or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subsection (5) does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each

order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subsection (7) includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any (A) advertising campaign or contest; (B) promotional campaign; (C) promotional materials; or (D) display decorations or materials; at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

| FRANCHISOR: | FRANCHISEE: |
|---|---|
| COMPLETE MOBILE DRUG TESTING FRANCHISE LLC | _____ |
| | By: _____ |
| By: _____ | Name: _____ |
| Name: _____ | Title: _____ |
| Title: _____ | Date: _____ |
| Date: _____ | |

## MARYLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise") and _____, a _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Maryland Franchise Registration and Disclosure Law" means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.

**2. Releases, Estoppels and Waivers of Liability.** All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

**3. Limitation of Waivers and Disclaimers.** No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**4. Statute of Limitations.** Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

**5. Jurisdiction.** Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction in the State of Maryland.

Agreed to by:

| FRANCHISOR: | FRANCHISEE: |
|---|---|
| COMPLETE MOBILE DRUG TESTING FRANCHISE LLC | _____ |
| | By: _____ |
| By: _____ | Name: _____ |
| Name: _____ | Title: _____ |
| Title: _____ | Date: _____ |
| Date: _____ | |

## MINNESOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise") and _____, a _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Minnesota Act" means Minnesota Statutes, Sections 80C.01 to 80C.22.

**2. Amendments.** The Agreement is amended to comply with the following:

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state "No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues."

Under Minnesota Statutes, Section 181.991 (a) no franchisor may restrict, restrain, or prohibit in any way a franchisee from soliciting or hiring an employee of a franchisee of the same franchisor, and (b) No franchisor may restrict, restrain, or prohibit in any way a franchisee from soliciting or hiring an employee of the franchisor.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

| FRANCHISOR: | FRANCHISEE: |
|---|---|
| COMPLETE MOBILE DRUG TESTING FRANCHISE LLC | _____ |
| | By: _____ |
| By: _____ | Name: _____ |
| Name: _____ | Title: _____ |
| Title: _____ | Date: _____ |
| Date: _____ | |

## NEW YORK RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise") and _____, a _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Waivers Not Required.** Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve CMDT Franchise or any other person from any duty or liability imposed by New York General Business Law, Article 33 (the "New York Franchise Law").

**3. Waivers of New York Law Deleted.** Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by CMDT Franchise with any provision of the New York Franchise Law, or any rule promulgated thereunder, is hereby deleted.

**4. Governing Law.** Notwithstanding any provision of the Agreement to the contrary, the New York Franchise Law shall govern any claim arising under that law.

**5. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

| FRANCHISOR: | FRANCHISEE: |
|---|---|
| COMPLETE MOBILE DRUG TESTING FRANCHISE LLC | _____ |
| | By: _____ |
| By: _____ | Name: _____ |
| Name: _____ | Title: _____ |
| Title: _____ | Date: _____ |
| Date: _____ | |

## NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise") and _____, a _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Amendments.** The Agreement (and any Guaranty Agreement) is amended to comply with the following:

(1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.

(2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee's business.

(3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.

(4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.

(5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.

(6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.

(7) Waiver of Exemplary and Punitive Damages: The parties do not waive exemplary and punitive damages.

(8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.

(9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

COMPLETE MOBILE DRUG TESTING FRANCHISE LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____
Date: _____

## OHIO RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise") and _____, a _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "BOPA" means the Ohio Business Opportunity Act, codified in Revised Code of Ohio, Title XIII, Chapter 1334.

**2. Applicability of BOPA.** Franchisee acknowledges that CMDT Franchise is providing this Rider out of an abundance of caution, and that neither the execution of this Rider nor any other act of CMDT Franchise constitutes an intent that BOPA apply to the transaction between CMDT Franchise and Franchisee or an admission by CMDT Franchise that the transaction fails to comply in any material respects with the trade regulation rule of the federal trade commission, "disclosure requirements and prohibitions concerning franchising," 16 C.F.R. 436.1 et seq.

**3. No Delivery of Goods or Services during Cancellation Period.** CMDT Franchise will not commence delivery of any goods or provide any services during the time within which Franchisee may cancel the Agreement as provided in Section 5 below.

**4. Jurisdiction and Venue.** In connection with the sale of the franchise, any provision in the Agreement restricting jurisdiction or venue to a forum outside of Ohio, or requiring the application of laws of another state, is void with respect to a claim otherwise enforceable under Sections 1334.01 to 1334.15 of the BOPA.

**5. Cancellation. You, the franchisee, may cancel the transaction at any time prior to midnight of the fifth business day after the date you sign this Agreement. See the attached notice of cancellation for an explanation of this right.**

**6. Agent for Service of Process.** The name and address of CMDT Franchise's agent authorized to receive service of process in Ohio is [_____].

Agreed to by:

| FRANCHISOR: | FRANCHISEE: |
|---|---|
| COMPLETE MOBILE DRUG TESTING FRANCHISE LLC | _____ |
| | By: _____ |
| By: _____ | Name: _____ |
| Name: _____ | Title: _____ |
| Title: _____ | Date: _____ |
| Date: _____ | |

## OHIO
## NOTICE OF CANCELLATION

[*Insert Date Agreement Signed by FRANCHISEE*]

**You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten business days following Complete Mobile Drug Testing Franchise LLC's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to CMDT Franchise at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of CMDT Franchise regarding the return shipment of the goods at CMDT Franchise's expense and risk. If you do make the goods available to CMDT Franchise and CMDT Franchise does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to CMDT Franchise, or if you agree to return them to CMDT Franchise and fail to do so, then you remain liable for the performance of all obligations under the Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Complete Mobile Drug Testing Franchise LLC, at 4805 S. 74th St., Suite B, Greenfield, WI 53220, or send a fax to CMDT Franchise at [*Insert facsimile number*] or an e-mail to CMDT Franchise at [*Insert email address*], not later than midnight of [*Insert date that is five business days after the date above]*.**

**I hereby cancel this transaction.**

**FRANCHISEE:**

_____

**By:** _____
**Name:** _____
**Title:** _____
**Date:** _____

## RHODE ISLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT Franchise") and _____, a _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Jurisdiction and Venue.** Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

COMPLETE MOBILE DRUG TESTING FRANCHISE LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____
Date: _____

## VIRGINIA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("CMDT") and _____, a _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Questionnaires and Acknowledgements**. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

| FRANCHISOR: | FRANCHISEE: |
|---|---|
| COMPLETE MOBILE DRUG TESTING FRANCHISE LLC | _____ |
| | By: _____ |
| By: _____ | Name: _____ |
| Name: _____ | Title: _____ |
| Title: _____ | Date: _____ |
| Date: _____ | |

**WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT**
**AND**
**RIDER TO FRANCHISE AGREEMENT**

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Agreed to by:

FRANCHISOR:

COMPLETE MOBILE DRUG TESTING FRANCHISE LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____
Date: _____

# EXHIBIT J

## FRANCHISEE ACKNOWLEDGMENT

**(THIS ACKNOWLEDGEMENT WILL NOT BE USED IF YOUR FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN).**

This Acknowledgment is presented to you in connection with the signing of your Complete Mobile Drug Testing Franchise Agreement. If any of the statements are not correct, do not sign this Acknowledgement or the Franchise Agreement, and please contact your sales representative immediately.

By signing below, the undersigned acknowledges the following:

(1) The undersigned understands all the information in CMDT's Disclosure Document.

(2) The success or failure of the Business will depend in large part upon Franchisee's skills, abilities and efforts and those of the persons Franchisee employs, as well as many factors beyond Franchisee's control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, and the marketplace.

(3) That no person acting on CMDT's behalf made any statement or promise regarding the costs involved in operating a Complete Mobile Drug Testing franchise that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document.

(4) That no person acting on CMDT's behalf made any claim or representation to Franchisee, orally, visually, or in writing, that contradicted the information in the Disclosure Document.

(5) That no person acting on CMDT's behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money Franchisee may earn, or the total amount of revenue a Complete Mobile Drug Testing franchise will generate, that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document.

(6) That no person acting on CMDT's behalf made any statement or promise or agreement, other than those matters addressed in this Agreement, concerning advertising, marketing, media support, market penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Disclosure Document.

(7) The undersigned understands that this Agreement contains the entire agreement between CMDT and Franchisee concerning the Complete Mobile Drug Testing franchise, which means that any oral or written statements not set out in this Agreement will not be binding. In deciding to enter into this Agreement, the undersigned is not relying on any statement, promise, claim, or representation not expressly set forth in this Agreement or in the Disclosure Document.

**DO NOT SIGN THIS ACKNOWLEDGEMENT IF YOUR FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN).**

Signed by:

| | |
|---|---|
| _____ | _____ |
| Name: _____ | Name: _____ |
| Date: _____ | Date: _____ |

## EXHIBIT K

## SBA ADDENDUM

This Addendum amends the Franchise Agreement dated _____ (the "Franchise Agreement"), between Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company ("Franchisor") and _____, a _____ _____ ("Franchisee").

**Background Statement:** Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

1. If Franchisor has an option to purchase or a right of first refusal (ROFR) with respect to a partial interest in the Franchisee's business, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee.

2. If Franchisor's consent is required for any Transfer (full or partial) of the Franchisee's business, Franchisor will not unreasonably withhold such consent.

3. If Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination of the Franchise Agreement, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value

4. If Franchisee owns the real estate where the franchise location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental indemnification, control or use restrictions. If any such restrictions are currently recorded against Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA financial assistance.

5. If the Franchisee owns the real estate where the franchise location is operating, the right of Franchisor to assume Franchisee's lease has not and will not during the term of the Franchise Agreement be recorded against the real estate and may not include any attornment language unless it is subordinated to any SBA financial assistance.

6. For other than regularly scheduled payments and payments otherwise authorized in the Franchise Agreement, Franchisor does not have the authority to unilaterally share, commingle, or withdraw funds from Franchisee's bank account.

7. The Franchise Agreement does not prevent the Franchisee from having meaningful oversight over the operations of the business. A Franchise Agreement does not prevent a Franchisee from having meaningful oversight over the operations of its business by requiring the Franchisee to comply with quality, marketing, and operations standards that govern the Franchisee's use of the Franchisor's system of operations. Meaningful oversight includes the

authority to (i) approve the annual budget; (ii) have control over the bank accounts; and (iii) have oversight over the employees operating the business (who must be employees of Franchisee).

Agreed to by:

| FRANCHISOR: | FRANCHISEE: |
| --- | --- |
| COMPLETE MOBILE DRUG TESTING FRANCHISE LLC | _____ |
| By: _____ | By: _____ |
| Name: _____ | Name: _____ |
| Title: _____ | Title: _____ |
| Date: _____ | Date: _____ |

## EXHIBIT L

## CONFIDENTIALITY AND NONCOMPETE AGREEMENT

This Confidentiality and Noncompete Agreement (this "Agreement") is made as of the date signed by below by _____, a resident of _____ ("Recipient"), in favor of Complete Mobile Drug Testing Franchise LLC, a Wisconsin limited liability company, and its affiliates (collectively, "CMDT").

**Background Statement.** Recipient desires to evaluate a potential opportunity to enter into a franchise agreement with CMDT (the "Proposed Opportunity") for a Complete Mobile Drug Testing franchise. To induce CMDT to disclose confidential information to Recipient, Recipient agrees as follows:

**1. Confidentiality.** "Confidential Information" means all non-public data information of or about CMDT or its franchise system, including without limitation, trade secrets, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information, and know-how. Recipient shall (i) hold all Confidential Information in strict confidence and not disclose it to any person or entity; and (ii) not use Confidential Information for the purpose developing or operating a business similar to a Complete Mobile Drug Testing business or competing against CMDT or any of its franchisees or for any other purpose. The obligations of Recipient shall remain in force indefinitely or at least until such time as Recipient enters into a franchise agreement with CMDT (in which case such franchise agreement shall supersede the terms of this agreement).

**2. Noncompete.** Recipient shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, develop, or invest in, own, acquire, advise, or be employed by a Competitor anywhere in the United States for a period of three years from the date of this Agreement. For purposes of this agreement, "Competitor" is a business, other than a CMDT business, which offers drug testing, DNA testing, or background checks.

**3. Notice.** Recipient shall promptly notify CMDT in writing of any loss or unauthorized disclosure of any Confidential Information. If Recipient is requested or required to disclose any Confidential Information due to a lawsuit or similar action, Recipient shall promptly notify CMDT. Upon the request of CMDT, or upon termination of the Proposed Opportunity (whichever occurs first), Recipient shall promptly deliver to CMDT all documents and electronic files containing or constituting Confidential Information, without retaining any copies.

**4. Disclaimer.** CMDT makes no promise regarding its future business relationship with Recipient, and nothing herein obligates CMDT to enter into a franchise agreement with Recipient.

**5. Dispute Resolution.**

(a) The laws of the state of Wisconsin (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Wisconsin law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 5.

(b) Unless Recipient and CMDT enter into a franchise agreement—in which case the Dispute Resolution provisions of such franchise agreement will govern this Agreement—for any legal proceeding between the parties the parties, Recipient and CMDT agree that such proceeding will be brought in the United States District Court where CMDT's headquarters is then located. If there is no federal jurisdiction over the dispute, the parties agree that any such legal proceeding will be brought in the court of record of the state and county where CMDT's headquarters is then located. Each party consents to the jurisdiction of such courts and waives any objection that it, he or she may have to the laying of venue of any proceeding in any of these courts.

**6. Miscellaneous.** This Agreement contains the entire agreement of the parties related to the subject matter hereof, provided that nothing contained herein shall be deemed to waive, supersede, or otherwise modify any other confidentiality or non-compete obligations of Recipient. CMDT shall be entitled to specific performance and injunctive relief as remedies for any breach of this Agreement, in addition to all other remedies available at law or in equity. If any provision of this Agreement is invalid, void or unenforceable, the remaining provisions will continue in full force. No modification or release hereunder shall be effective except by means of a written instrument executed by the parties hereto.

Agreed to by:

RECIPIENT:

_____

Name: _____

Date: _____

## STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

| State | Effective Date |
|---|---|
| | |

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

## RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Complete Mobile Drug Testing Franchise LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Complete Mobile Drug Testing Franchise LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

| Name | Principal Business Address | Telephone Number |
|---|---|---|
| Milka Krecak | 4805 S. 74th St., Suite B, Greenfield, WI 53220 | 262-982-6034 |
| Stevan Krecak | 4805 S. 74th St., Suite B, Greenfield, WI 53220 | 262-982-6034 |
| Petar Krecak | 4805 S. 74th St., Suite B, Greenfield, WI 53220 | 262-982-6034 |

Issuance Date: May 11, 2026

I received a disclosure document dated May 11, 2026, that included the following Exhibits:

A. State Administrators and Agents for Service of Process
B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
C. Rider to Lease Agreement
D. Form of General Release
E. Financial Statements
F. Brand Standards Manual Table of Contents
G. Current and Former Franchisees
H. State Addenda to Disclosure Document
I. State Addenda to Agreements
J. Franchisee Acknowledgement
K. SBA Addendum
L. Confidentiality and Noncompete

Signature: _____
Print Name: _____
Date Received: _____

**Keep This Copy For Your Records**

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Signature: _____
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**Return This Copy To Us**